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MEMBERSHIP OF THE WORLD TRADE ORGANIZATION

as of January 1, 1998 (132 Members)

Government	Entry into Force	Government	Entry into Force
Antigua and Barbuda	1 January 1995	Costa Rica	1 January 1995
Angola	1 December 1996	Côte d'Ivoire	1 January 1995
Argentina	1 January 199	Cuba	20 April 1995
Australia	1 January 1995	Cyprus	30 July 1995
Austria	1 January 1995	Czech Republic	1 January 1995
Bahrain	1 January 1995	Democratic Republic of Congo	1 January 1997
Bangladesh	1 January 1995	Denmark	1 January 1995
Barbados	1 January 1995	Djibouti	31 May 1995
Belgium	1 January 1995	Dominica	1 January 1995
Belize	1 January 1995	Dominican Republic	9 March 1995
Benin	22 February 1996	Ecuador	21 January 1996
Bolivia	13 September 1995	Egypt	30 June 1995
Botswana	31 May 1995	El Salvador	7 May 1995
Brazil	1 January 1995	European Communities	1 January 1995
Brunei Darussalam	1 January 1995	Fiji	14 January 1996
Bulgaria	1 December 1996	Finland	1 January 1995
Burkina Faso	3 June 1995	France	1 January 1995
Burundi	23 July 1995	Gabon	1 January 1995
Cameroon	13 December 1995	Gambia	23 October 1996
Canada	1 January 1995	Germany	1 January 1995
Central African Republic	31 May 1995	Ghana	1 January 1995
Chad	19 October 1996	Greece	1 January 1995
Chile	1 January 1995	Grenada	22 February 1996
Colombia	30 April 1995	Guatemala	21 July 1995
Congo	27 March 1997	Guinea Bissau	31 May 1995
Guinea	25 October 1995	Mauritius	1 January 1995
Guyana	1 January 1995	Mexico	1 January 1995
Haiti	30 January 1996	Mongolia	29 January 1997
Honduras	1 January 1995	Morocco	1 January 1995
Hong Kong, China	1 January 1995	Mozambique	26 August 1995

Government	Entry into Force	Government	Entry into Force
Hungary	1 January 1995	Myanmar	1 January 1995
Iceland	1 January 1995	Namibia	1 January 1995
India	1 January 1995	Netherlands - For the Kingdom and for the Netherlands Antilles	1 January 1995
Indonesia	1 January 1995	New Zealand	1 January 1995
Ireland	1 January 1995	Nicaragua	3 September 1995
Israel	21 April 1995	Niger	13 December 1996
Italy	1 January 1995	Nigeria	1 January 1995
Jamaica	9 March 1995	Norway	1 January 1995
Japan	1 January 1995	Pakistan	1 January 1995
Kenya	1 January 1995	Panama	6 September 1997
Korea	1 January 1995	Papua New Guinea	9 June 1996
Kuwait	1 January 1995	Paraguay	1 January 1995
Lesotho	31 May 1995	Peru	1 January 1995
Liechtenstein	1 September 1995	Philippines	1 January 1995
Luxembourg	1 January 1995	Poland	1 July 1995
Macau	1 January 1995	Portugal	1 January 1995
Madagascar	17 November 1995	Qatar	13 January 1996
Malawi	31 May 1995	Romania	1 January 1995
Malaysia	1 January 1995	Rwanda	22 May 1996
Maldives	31 May 1995	Saint Kitts and Nevis	21 February 1996
Mali	31 May 1995	Saint Lucia	1 January 1995
Malta	1 January 1995	Saint Vincent & the Grenadines	1 January 1995
Mauritania	31 May 1995	Senegal	1 January 1995
Sierra Leone	23 July 1995	Swaziland	1 January 1995
Singapore	1 January 1995	Sweden	1 January 1995
Slovak Republic	1 January 1995	Switzerland	1 July 1995
Slovenia	30 July 1995	United Kingdom	1 January 1995
Solomon Islands	26 July 1996	United States	1 January 1995
South Africa	1 January 1995	Uruguay	1 January 1995
Spain	1 January 1995	Venezuela	1 January 1995
Sri Lanka	1 January 1995	Zambia	1 January 1995
Suriname	1 January 1995	Zimbabwe	3 March 1995
Source: WTO Secretariat			

Plurilateral Agreements and Membership

For the most part, all WTO members subscribe to all WTO agreements (the Single Undertaking). There remain, however, two agreements, originally negotiated in the in the Tokyo Round, which have a narrower group of signatories and are known therefore as "plurilateral agreements." Two additional agreements were terminated at the end of 1997.

The Agreement on Government Procurement

The Agreement on Government Procurement entered into force on 1 January 1996. The following WTO Members are Parties to the Agreement: Canada, the European Communities and fifteen Member States, Israel, Japan, Korea, the Kingdom of the Netherlands with respect to Aruba, Norway, Switzerland and the United States. Seven WTO Members have observer status: Australia, Colombia, Iceland, Liechtenstein, Singapore and Turkey. Two non-WTO members have observer status: Chinese Taipei and Latvia. Hong Kong, Singapore and Liechtenstein have agreed to terms of accession and are expected to formally ratify the Agreement in 1997.

The Agreement on Trade in Civil Aircraft

There are 22 signatories to the Agreement: Canada, the European Communities, Austria, Belgium, Denmark, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, the United Kingdom, Egypt, Japan, Macau, Norway, Romania, Switzerland and the United States. Greece has signed the Agreement subject to ratification. The other countries with observer status in the Committee are: Argentina, Australia, Bangladesh, Brazil, Cameroon, the Czech Republic, Finland, Gabon, Ghana, India, Indonesia, Israel, Malta, Mauritius, Nigeria, Poland, Singapore, the Slovak Republic, Sri Lanka, Trinidad and Tobago, Tunisia and Turkey. In addition, China, the Russian Federation and Chinese Taipei have observer status in the Committee. The IMF and UNCTAD are also observers.

The International Dairy Agreement

With effect from January 1, 1998, the International Dairy Agreement ceased to exist. Members during 1997 were Argentina, Bulgaria, the European Communities, Japan, New Zealand, Norway, Romania, Switzerland and Uruguay were parties to the Agreement.

The International Bovine Meat Agreement

With effect from January 1, 1998, the International Dairy Agreement ceased to exist. Members during 1997 were Argentina, Australia, Bulgaria, Brazil, Canada, Colombia, the European Communities, Japan, New Zealand, Norway, Paraguay, Romania, South Africa, Switzerland, the United States and Uruguay were parties to the Agreement.

WTO ACCESSION APPLICATION AND STATUS (as of 3-1-98)¹

Country	Status of Multilateral and Bilateral Work
Albania (1992)	Two Working Party (WP) meetings held in 1996, none in 1997. Market access negotiations not yet underway.
Algeria (1987)	GATT 1947 accession process initiated in 1987 was never activated. Algeria activated WTO negotiations in mid-1996 and first WP meeting possible by mid-1998. No market access offers to date.
Andorra (1997)	WP established at December 1997 General Council meeting. No documentation circulated to date.
Armenia (1993)	Four WP meetings held through December 1998. Draft WP report and protocol text to be considered at April 1998 meeting. Market Access negotiations well advanced due to intensive bilateral negotiations in 1997.
Azerbaijan (1997)	WP established at October 1997 General Council meeting. No documentation circulated to date.
Belarus (1993)	First WP meeting held in June 1997. Next meeting postponed, pending circulation of initial market access offers and additional documentation.
Cambodia (1995)	Has not yet submitted initial documentation to activate the accession negotiations.
China (1986)	Bilateral market access negotiations completed with some WTO members in 1997, while negotiations with the U.S. and other major trading partners continue. WP to continue consideration of protocol (rules) issues.
Chinese Taipei (1992)	Bilateral market access negotiations completed with some WTO members in 1997, while negotiations with the U.S. and other major trading partners continue. WP scheduled to meet in February 1998 to consider draft protocol and WP report text.
Croatia (1993)	Three WP meetings held through January 1998. Market access offers in goods and services under negotiation.
Estonia (1994)	Intensive bilateral and plurilateral negotiations in 1997 leave few protocol and or market access issues unresolved.
Georgia (1996)	First WP meeting in March 1998 to be based on comprehensive documentation circulated in July and November 1997. Initial goods and services market access offers expected prior to March WP session.
Jordan (1994)	Two WP meetings held through June 1997. Initial market access offers and next WP meeting expected by mid-1998.
Kazakhstan (1996)	Two WP meetings held through October 1997, with third scheduled for June 1998. Revised market access offers expected prior to June WP session.
Kyrgyz Republic (1996)	Three WP meetings held through February 1998. Market access negotiations well advanced based on intensive negotiations in 1997.

¹ "Country" column Includes date the Working Party was formed. Pre-1995 dates indicate that the original WP was formed under the GATT 1947, but was reformed as a WTO Working Party in 1995.

Country	Status of Multilateral and Bilateral Work
Laos (1998)	WP established at February 1998 General Council meeting. No documentation circulated to date.
Latvia (1993)	Intensive bilateral and plurilateral negotiations in 1997 leave few protocol and or market access issues unresolved.
Lithuania (1994)	Formal and informal WP meetings held through February 1998 with draft protocol and WP report under development. Intensive bilateral negotiations in 1997 advance market access discussions.
Former Yugoslav Republic of Macedonia (1995)	Has not yet submitted initial documentation to activate the accession negotiations.
Moldova (1993)	Negotiations activated in 1996. Two WP meetings held through March 1998. No market access offers to date.
Nepal (1989)	No activity since submission of initial GATT documentation and written responses to questions in 1991.
Oman (1996)	Two WP meetings held through November 1997, with third scheduled for late June 1998. Revised market access offers expected prior to that time.
Russia (1993)	Seven WP meetings to date with last three held in 1997. Intensive bilateral work on protocol and market access issues during 1997 has accelerated the negotiations. Additional bilaterals planned in early 1998. Next WP session expected in July 1998, after circulation of market access offers.
Saudi Arabia (1993)	Four WP meetings held through December 1997, with next meeting scheduled for July 1998. "First reading" of documentation on the trade regime completed, and work on specific protocol issues commenced in 1997. Initial market access offers for goods and services circulated in September 1997, revised offers expected prior to next WP session, July 1998.
Seychelles (1995)	Second WP meeting scheduled for March 1998. Market Access offers also to be addressed at that time.
Sudan (1995)	Has not yet submitted initial documentation to activate the accession negotiations.
Tonga (1995)	Has not yet submitted initial documentation to activate the accession negotiations.
Ukraine (1993)	Five WP meetings through November 1997. Principal focus in 1998 on Ukrainian legislative agenda to implement WTO-consistent trade regime. Next WP meeting scheduled in early June 1998. Market access negotiations ongoing.
Uzbekistan (1995)	Initial documentation in preparation, for submission during 1998.
Vanuatu (1995)	Second WP meeting scheduled for early May 1998. Revised market access offers to be addressed at that time.
Vietnam (1995)	Negotiations activated with submission of initial documentation in September 1996. First WP meeting possible by mid-1998 after circulation of responses to written questions. No Market Access offers to date.

1997 WTO Budget Contributions

SCALE OF CONTRIBUTIONS FOR 1997/98

(Minimum contribution of 0.03%)					
MEMBERS	1997	1998		INTEREST	1998 NET
	CONTRIBUTION	CONTRIBUTION		EARNED ¹	CONTRIBUTION
	CHF	%	CHF	CHF	0
Angola	79,940	0.07	81,340	-	81,340
Antigua and Barbuda	34,260	0.03	34,860	-	34,860
Argentina	376,860	0.47	546,140	(654)	545,486
Australia	1,518,860	1.37	1,591,940	(9,356)	1,582,584
Austria	1,907,140	1.74	2,021,880	(11,288)	2,010,592
Bahrain	114,200	0.09	104,580	(244)	104,336
Bangladesh	91,360	0.09	104,580	(117)	104,463
Barbados	34,260	0.03	34,860	(145)	34,715
Belgium	3,311,800	3.23	3,753,260	(18,756)	3,734,504
Belize	34,260	0.03	34,860	(107)	34,753
Benin	34,260	0.03	34,860	(15)	34,845
Bolivia	34,260	0.03	34,860	-	34,860
Botswana	45,680	0.04	46,480	(198)	46,282
Brazil	1,142,000	0.92	1,069,040	(79)	1,068,961
Brunei Darussalam	57,100	0.04	46,480	(279)	46,201
Bulgaria	125,620	0.11	127,820	-	127,820
Burkina Faso	34,260	0.03	34,860	-	34,860
Burundi	34,260	0.03	34,860	-	34,860
Cameroon	45,680	0.04	46,480	-	46,480
Canada	4,396,700	3.85	4,473,700	(28,510)	4,445,190
Central African Republic	34,260	0.03	34,860	-	34,860
Chad	34,260	0.03	34,860	-	34,860
Chile	354,020	0.29	336,980	(251)	336,729
Colombia	239,820	0.25	290,500	(1,022)	289,478
Congo	26,188	0.03	34,860	-	34,860
Costa Rica	79,940	0.07	81,340	-	81,340
Côte d' Ivoire	68,520	0.07	81,340	(484)	80,856
Cuba	114,200	0.04	46,480	(556)	45,924
Cyprus	79,940	0.07	81,340	(479)	80,861
Czech Republic	491,060	0.51	592,620	(2,310)	590,310
Democratic Republic of the Congo	56,944	0.04	46,480	-	46,480
Denmark	1,256,200	1.10	1,278,200	(8,181)	1,270,019
Djibouti	34,260	0.03	34,860	-	34,860
Dominica	34,260	0.03	34,860	-	34,860
Dominican Republic	57,100	0.10	116,200	-	116,200
Ecuador	91,360	0.09	104,580	(265)	104,315
Egypt	308,340	0.26	302,120	(411)	301,709
El Salvador	45,680	0.04	46,480	(16)	46,464
European Communities	-	-	-	-	0
Fiji	34,260	0.03	34,860	(139)	34,721
Finland	810,820	0.76	883,120	(3,473)	879,647
France	7,388,740	6.40	7,436,800	(43,682)	7,393,118
Gabon	57,100	0.04	46,480	-	46,480
Gambia	34,260	0.03	34,860	-	34,860

SCALE OF CONTRIBUTIONS FOR 1997/98

(Minimum contribution of 0.03%)					
MEMBERS	1997	1998		INTEREST	1998 NET
	CONTRIBUTION	CONTRIBUTION		EARNED ¹	CONTRIBUTION
	CHF	%	CHF	CHF	0
Germany	11,956,740	9.80	11,387,600	(41,930)	11,345,670
Ghana	34,260	0.03	34,860	-	34,860
Greece	422,540	0.34	395,080	(1,366)	393,714
Grenada	34,260	0.03	34,860	(51)	34,809
Guatemala	57,100	0.05	58,100	(123)	57,977
Guinea	34,260	0.03	34,860	-	34,860
Guinea-Bissau	34,260	0.03	34,860	-	34,860
Guyana	34,260	0.03	34,860	(186)	34,674
Haiti	34,260	0.03	34,860	-	34,860
Honduras	34,260	0.03	34,860	(11)	34,849
Hong Kong, China	3,859,960	3.54	4,113,480	(24,179)	4,089,301
Hungary	308,340	0.32	371,840	(2,029)	369,811
Iceland	45,680	0.04	46,480	(366)	46,114
India	616,680	0.57	662,340	(1,370)	660,970
Indonesia	947,860	0.87	1,010,940	(1,421)	1,009,519
Ireland	753,720	0.70	813,400	(4,859)	808,541
Israel	662,360	0.59	685,580	(3,470)	682,110
Italy	5,778,520	4.54	5,275,480	(32,806)	5,242,674
Jamaica	57,100	0.06	69,720	(82)	69,638
Japan	9,695,580	8.38	9,737,560	(31,562)	9,705,998
Kenya	45,680	0.05	58,100	(33)	58,067
Korea, Republic of	2,900,680	2.32	2,695,840	(7,354)	2,688,486
Kuwait	274,080	0.24	278,880	(294)	278,586
Lesotho	34,260	0.03	34,860	(60)	34,800
Liechtenstein	34,260	0.03	34,860	(216)	34,644
Luxembourg	285,500	0.22	255,640	(1,255)	254,385
Macau	79,940	0.07	81,340	(472)	80,868
Madagascar	34,260	0.03	34,860	-	34,860
Malawi	34,260	0.03	34,860	-	34,860
Malaysia	1,279,040	1.31	1,522,220	(4,818)	1,517,402
Maldives	34,260	0.03	34,860	(42)	34,818
Mali	34,260	0.03	34,860	-	34,860
Malta	57,100	0.05	58,100	(336)	57,764
Mauritania	34,260	0.03	34,860	-	34,860
Mauritius	45,680	0.04	46,480	(345)	46,135
Mexico	1,884,300	1.51	1,754,620	(540)	1,754,080
Mongolia ²	31,538	0.03	34,860	-	34,860
Morocco	182,720	0.16	185,920	(332)	185,588
Mozambique	34,260	0.03	34,860	(2)	34,858
Myanmar, Union of	34,260	0.03	34,860	(204)	34,656
Namibia	34,260	0.03	34,860	(128)	34,732
Netherlands, Kingdom of the	4,339,600	3.53	4,101,860	(19,605)	4,082,255
New Zealand	365,440	0.29	336,980	(2,063)	334,917
Nicaragua	34,260	0.03	34,860	-	34,860
Niger	34,260	0.03	34,860	-	34,860
Nigeria	251,240	0.20	232,400	(433)	231,967
Norway	1,039,220	0.84	976,080	(4,935)	971,145
Pakistan	228,400	0.19	220,780	(500)	220,280

SCALE OF CONTRIBUTIONS FOR 1997/98

(Minimum contribution of 0.03%)					
MEMBERS	1997	1998		INTEREST	1998 NET
	CONTRIBUTION	CONTRIBUTION		EARNED ¹	CONTRIBUTION
	CHF	%	CHF	CHF	0
Panama ²	-	0.14	162,680	-	162,680
Papua New Guinea	57,100	0.05	58,100	-	58,100
Paraguay	68,520	0.05	58,100	(14)	58,086
Peru	125,620	0.12	139,440	-	139,440
Philippines	456,800	0.46	534,520	(2,291)	532,229
Poland	479,640	0.48	557,760	(3,102)	554,658
Portugal	650,940	0.58	673,960	(1,928)	672,032
Qatar	68,520	0.06	69,720	(22)	69,698
Romania	159,880	0.15	174,300	(515)	173,785
Rwanda	34,260	0.03	34,860	-	34,860
St. Kitts and Nevis	34,260	0.03	34,860	(118)	34,742
Saint Lucia	34,260	0.03	34,860	(159)	34,701
St. Vincent and the Grenadines Grenadi	34,260	0.03	34,860	-	34,860
Senegal	34,260	0.03	34,860	-	34,860
Sierra Leone	34,260	0.03	34,860	-	34,860
Singapore	2,318,260	2.25	2,614,500	(9,786)	2,604,714
Slovak Republic	216,980	0.17	197,540	(1,404)	196,136
Slovenia	205,560	0.19	220,780	(1,338)	219,442
Solomon Islands	34,260	0.03	34,860	-	34,860
South Africa	685,200	0.55	639,100	(4,032)	635,068
Spain	2,672,280	2.45	2,846,900	(14,377)	2,832,523
Sri Lanka	91,360	0.09	104,580	(557)	104,023
Suriname	34,260	0.03	34,860	(90)	34,770
Swaziland	34,260	0.03	34,860	(214)	34,646
Sweden	1,724,420	1.60	1,859,200	(11,414)	1,847,786
Switzerland	1,998,500	1.73	2,010,260	(11,464)	1,998,796
Tanzania	34,260	0.03	34,860	(195)	34,665
Thailand	1,233,360	1.19	1,382,780	(6,704)	1,376,076
Togo	34,260	0.03	34,860	-	34,860
Trinidad and Tobago	45,680	0.04	46,480	(212)	46,268
Tunisia	159,880	0.14	162,680	(610)	162,070
Turkey	650,940	0.60	697,200	(3,136)	694,064
Uganda	34,260	0.03	34,860	-	34,860
United Arab Emirates	571,000	0.52	604,240	-	604,240
United Kingdom of Great					0
Britain and Northern Ireland	6,612,180	5.93	6,890,660	(33,813)	6,856,847
United States of America	17,872,300	15.62	18,150,440	(4,626)	18,145,814
Uruguay	68,520	0.06	69,720	(284)	69,436
Venezuela	376,860	0.32	371,840	-	371,840
Zambia	34,260	0.03	34,860	-	34,860
Zimbabwe	45,680	0.04	46,480	(267)	46,213
TOTAL	114,348,930	100.00	116,200,000	(433,467)	115,766,533

¹ Interest earned in 1996 under the Early Payment Encouragement Scheme (L/6384) and to be deducted from the 1998 contribution.

² Assessed contribution for 1997 to be approved by the General Council.

SOURCE: WTO Secretariat

1998 BUDGET FOR THE WTO SECRETARIAT

(in Swiss francs)

P A R T	SECTION	1997 Budget	1998						1998 Estimates	1997 Expected expenditure at 30.06.97
			Inflation 1.7%	USD 1.19- 1.40	Statutory	Increase/ (decrease) Staff	Increase/ (decrease) Other	Total increase/ (decrease)		
A	1. Professional (Work/ years)									
	(a) Salary	32,824,500		357,000	(135,000)			222,000	33,046,500	31,100,000
	(b) Pensions	4,754,000		798,000	184,000			982,000	5,736,000	5,375,900
	(c) Other Common staff costs	4,857,000			(49,000)			(49,000)	4,808,000	4,976,900
	2. Temporary Assistance	6,098,000						0	6,098,000	6,873,900
B	3. General Service (Work/years)									
	(a) Salary	22,238,000						0	22,238,000	21,739,100
	(b) Pensions	4,961,500			(140,500)			(140,500)	4,821,000	4,802,300
	(c) Other Common staff costs	3,382,000			140,500			140,500	3,522,500	3,716,400
	4. Temporary Assistance	2,723,000						0	2,723,000	3,133,800
C	5. Communications									
	(a) Telecommunications	835,000					(302,000)	(302,000)	533,000	835,700
	(b) Postal Charges	911,500					195,500	195,500	1,107,000	1,201,600
	6. Building Facilities									
	(a) Rental	19,600	500				6,400	6,900	26,500	36,000
	(b) Utilities	1,280,000	9,000				85,000	94,000	1,374,000	1,350,800
	(c) Maintenance and Insurance	1,224,000	10,000				(199,000)	(189,000)	1,035,000	1,107,900
	7. Permanent Equipment	2,642,300	10,000				(33,300)	(23,300)	2,619,000	2,853,600
	8. Expendable Equipment	1,068,250	13,000				78,250	91,250	1,159,500	1,068,100
	9. Contractual Services									
	(a) Reproduction	1,279,000	15,000				6,000	21,000	1,300,000	1,274,000
	(b) Office Automation/ Informatics	1,721,000					(67,400)	(67,400)	1,653,600	1,583,100
	(c) Other	213,000	3,000				11,000	14,000	227,000	217,100
D	10. Staff Overhead Costs									
	(a) Training	272,000					132,000	132,000	404,000	290,500
	(b) Insurance	756,000	5,000	46,000			52,000	103,000	859,000	789,100
	(c) UN and Other Bodies	360,200		22,000			21,000	43,000	403,200	357,000
	(d) Miscellaneous	33,000						0	33,000	32,600
	11. Missions									
	(a) Official	944,000					150,000	150,000	1,094,000	1,046,000
	(b) Technical Cooperation	741,000						0	741,000	740,800
	12. Trade Policy Training Courses	1,232,000	12,000				286,000	298,000	1,530,000	1,128,900
	13. Contribution to ITC	14,060,500	41,150	40,300	155,550		(101,100)	135,900	14,196,400	14,060,500
	14. Various									
	(a) Representation and Hospitality	258,000						0	258,000	256,300
	(b) Dispute Settlement Panels	305,000						0	305,000	418,200
	(c) Permanent Group of Experts	137,400						0	137,400	70,000
	(d) Appellate Body									
	(e) Library	502,000	13,000				44,000	57,000	559,000	499,000
	(f) Publications	645,000	4,000				119,000	123,000	768,000	644,900
	(g) Public Information Activities	331,000					(85,000)	(85,000)	246,000	329,500
	(h) External Auditors	40,000						0	40,000	36,500
	(i) Ministerial Meeting									
	(j) ISO	120,000					(33,700)	(33,700)	86,300	119,800
	(k) Other	43,000					94,000	94,000	137,000	39,000
	15. Unforeseen Expenditure	300,000						0	300,000	0
		114,111,750	135,650	1,263,300	155,550	0	458,650	2,013,150	116,124,900	114,104,800

Percentage with respect to 1997 budget
Source: WTO Secretariat

0.12% 1.11% 0.13% 0.00% 0.40% 1.76%

1998 BUDGET FOR THE APPELLATE BODY AND ITS SECRETARIAT

(in Swiss francs)

P A R T	SECTION	1997 Budget	1998					1998 Estimates	1997 Expected expenditure at 30.06.97
			Inflation 1.7%	USD 1.19- 1.40	Statutory	Increase/ (decrease) Staff	Increase/ (decrease) Other	Total increase/ (decrease)	
A	1. Professional (Work/ years)								
	(a) Salary	533,600		5,800	(6,200)			(400)	533,200
	(b) Pensions	77,200		12,900	2,300			15,200	92,400
	(c) Other Common staff costs	79,000			(1,400)			(1,400)	77,600
	2. Temporary Assistance	0						0	0
B	3. General Service (Work/years)								
	(a) Salary	170,400			1,200			1,200	171,600
	(b) Pensions	38,000			(800)			(800)	37,200
	(c) Other Common staff costs	26,000			1,200			1,200	27,200
	4. Temporary Assistance	4,500						0	4,500
C	5. Communications								
	(a) Telecommunications	0					4,000	4,000	4,000
	(b) Postal Charges	4,000					(4,000)	(4,000)	0
	6. Building Facilities								
	(a) Rental	0						0	0
	(b) Utilities	0						0	0
	(c) Maintenance and Insurance	0						0	0
	7. Permanent Equipment	19,200					(9,000)	(9,000)	10,200
	8. Expendable Equipment	0					2,000	2,000	2,000
	9. Contractual Services								
	(a) Reproduction	0						0	0
	(b) Office Automation/ Informatics	0					500	500	500
	(c) Other	0						0	0
D	10. Staff Overhead Costs								
	(a) Training	0						0	0
	(b) Insurance	0						0	0
	(c) UN and Other Bodies	0						0	0
	(d) Miscellaneous	0						0	0
	11. Missions								
	(a) Official	10,000					15,000	15,000	25,000
	(b) Technical Co-operation	0						0	0
	12. Trade Policy Training Courses	0						0	0
	13. Contribution to ITC	0						0	0
	14. Various								
	(a) Representation and Hospitality	1,000						0	1,000
	(b) Dispute Settlement Panels	0						0	0
	(c) Permanent Group of Experts	0						0	0
	(d) Appellate Body Members	615,200						0	615,200
	(e) Library	0						0	0
	(f) Publications	0						0	0
	(g) Public Information Activities	0						0	0
	(h) External Auditors	0						0	0
	(i) Ministerial Meeting	0						0	0
	(j) ISO	0						0	0
	(k) Other	3,000						0	3,000
	15. Unforeseen Expenditure	0						0	0
		1,581,100	0	18,700	(3,700)	0	8,500	23,500	1,604,600
									1,492,300

Percentage with respect to 1997 budget

0.00% 1.18% (0.23%) 0.00% 0.54% 1.49%

Source: WTO Secretariat

WTO Secretariat Personnel Statistics

Number of Staff Members by Job Category --					
Country	Senior Management	Professional	Administrative	Support	Total
Argentina		3	1	3	7
Australia	1	6	0	0	7
Austria	1	1	0	2	4
Belgium		2	1	0	3
Benin		1	0	1	2
Bolivia		1	0	1	2
Brazil	1	1	0	1	3
Canada	4	14	1	4	23
Chile		1	0	3	4
Colombia		1	1	2	4
Costa Rica		2	0	0	1
Cote d'Ivoire		0	1	0	0
Cuba		0	0	1	1
Denmark	1	0	0	0	1
Germany	1	6	2	2	11
Eqypt		3	0	0	3
Ethiopia		0	1	0	1
Finland		1	0	1	2
France	2	31	37	52	122
Ghana		1	0	0	1
Greece		4	0	1	5
Hong Kong		1	0	0	1
Honduras		0	0	1	1
Hungary	1	0	0	0	1
India	2	7	1	2	12
Ireland		2	0	12	14
Italy	1	8	2	4	15
Japan		3	0	0	3
Korea	1	1	0	0	2

Number of Staff Members by Job Category --					
Country	Senior Management	Professional	Administrative	Support	Total
Malawi		1	0	0	1
Malaysia		1	0	1	2
Mexico	1	3	0	0	4
Morocco		0	0	1	1
Netherlands		5	0	1	6
Norway		2	1	1	4
New Zealand	1	3	0	0	4
Paraguay		0	0	1	1
Peru		1	0	4	5
Philippines		3	1	1	5
Poland	1	1	2	0	4
Portugal		2	1	0	3
Romania		2	0	0	2
Senegal		0	1	0	1
Spain	2	12	0	16	30
Sri Lanka		2	0	2	4
Sweden		6	1	1	8
Switzerland		12	14	9	35
Thailand		2	0	1	3
Tunisia		0	0	2	2
Turkey		1	0	0	1
United Kingdom	4	9	9	46	68
Uruguay	1	4	1	3	9
United States	3	15	3	3	24
Venezuela		3	0	0	3
Zaire		1	0	0	1
TOTAL	29	192	82	186	487
<p>Note -- Senior Management includes the Director General, Deputies Director General, and Division Directors.</p> <p>Source: WTO Secretariat (as of 12/31/97)</p>					

WTO DISPUTE SETTLEMENT BODY

*INDICATIVE LIST OF GOVERNMENTAL AND
NON-GOVERNMENTAL PANELISTS*

<u>COUNTRY</u>	<u>NAME</u>	<u>SECTORAL EXPERIENCE</u>
AUSTRALIA	ARNOTT, Mr. R.J.	Trade in Goods
	CHESTER, Mr. D.O.	TRIPS
	CHURCHE, Mr. M.	Trade in Goods
	DUNN, Ms. J.M.	Trade in Services; TRIPS
	GALLAGHER, Mr. B.J.	Trade in Goods
	GASCOINE, Mr. D.F.	Trade in Goods
	GOODE, Mr. W.	Trade in Goods and Services
	HALL, Mr. R.J.	Trade in Goods
	HANNOUSH, Mr. J.	Trade in Goods; TRIPS
	HAWES, Mr. D.C.	Trade in Goods and Services
	HIRD, Miss J.M.	Trade in Goods
	HUSSIN, Mr. P.A.	Trade in Goods
	MAY, Mr. P.H.	Trade in Goods
	O'CONNOR, Mr. P.R.	Trade in Goods
	SMITH, Mr. P.A.	TRIPS
	THOMSON, Mr. G.A.	Trade in Goods and Services
CHILE	WILKINSON, Mr. K.W.	Trade in Goods
	YOUNG, Ms.E.	Trade in Goods
	JARA, Mr. A.	Trade in Goods and Services
	MATUS, Mr. M.	Trade in Goods
COLOMBIA	PEÑA, Ms. G.	Trade in Goods
	SATELER, Mr. R.	TRIPS
	CÁRDENAS, Mr. M.J.	Trade in Goods and Services; TRIPS
	IBARRA PARDO, Mr. G.	Trade in Goods
	JARAMILLO, Mr. F.	Trade in Goods and Services
	LEAL ANGARITA, Mr. M.	Trade in Goods and Services
	OROZCO JARAMILLO, Ms. C.Y.	Trade in Goods

<u>COUNTRY</u>	<u>NAME</u>	<u>SECTORAL EXPERIENCE</u>
CUBA	CABALLERO RODRÍGUEZ, Mr. E.	Trade in Goods and Services
CZECH REP.	JUNG, Mr. Z.	Trade in Goods and Services
	ŠRONĚK, Mr. I.	TRIPS
EGYPT	SHAHIN, Ms. M.	Trade in Goods and Services; TRIPS
	SHARAFELDIN, Mr. A.	Trade in Goods; TRIPS
EUROPEAN COMMUNITIES		
AUSTRIA	BENEDEK, Mr. W.	Trade in Goods
	MARTINS, Mr. R.	Trade in Goods
	WEISS, Mr. J.F.	Trade in Goods and Services; TRIPS
	ZEHETNER, Mr. F.	Trade in Goods
BELGIUM	DASSESE, Mr. M.P.A.	Trade in Goods and Services
	DIDIER, Mr. P.	Trade in Goods
DENMARK	BOESGAARD, Mr. H.	Trade in Goods
FINLAND	JULIN, Mr. J.K.J.	Trade in Goods and Services
	LUOTONEN, Mr. Y.K.D.	Trade in Goods
	PULLINEN, Mr. M.Y.	Trade in Goods
	RANTANEN, Mr. P.I.	Trade in Goods
FRANCE	ARMAIGNAC, Ms. M.-C.	Trade in Services; TRIPS
	BEAURAIN, Mr. C.	Trade in Services
	DELLEUR, Mr. P.	Trade in Services
	METZGER, Mr. J-M.	Trade in Goods
GERMANY	BARTH, Mr. D.	Trade in Services
	BARTKOWSKI, Mr. D.H.H.	Trade in Services
	HILF, Mr. M.	Trade in Goods and Services

<u>COUNTRY</u>	<u>NAME</u>	<u>SECTORAL EXPERIENCE</u>
GERMANY (cont'd)	MÖHLER, Mr. R.	Trade in Goods
	von MÜHLEND AHL, Mr. A.	TRIPS
	TANGERMANN, Mr. S.	Trade in Goods
	WITT, Mr. P.J.	Trade in Goods
GREECE	MYROGIANNIS, Mr. G.	Trade in Goods
	STANGOS, Mr. P.N.	Trade in Goods and Services; TRIPS
IRELAND	LONG, Mr. R.	Trade in Goods; TRIPS
	MATTHEWS, Mr. A.H.	Trade in Goods
	MOCKLER, Mr. T.F.	Trade in Goods
ITALY	GERBINO, Mr. M.	Trade in Goods
	GIARDINA, Mr. A.	Trade in Goods and Services
	SACERDOTI, Mr. G.	Trade in Goods and Services
	SCHIRATTI, Mr. G.	Trade in Goods
NETHERLANDS	BLOKKER, Mr. N.M.	Trade in Goods
	HOEKMAN, Mr. B.M.	Trade in Goods and Services; TRIPS
	van de LOCHT, Mr. P.	Trade in Goods and Services
	NEERVOORT, Mr. W.	TRIPS
	de ZEEUW, Mr. I.A.	Trade in Goods
SPAIN	CASTILLO URRUTIA, Mr. J.A.	Trade in Goods
SWEDEN	ANDERSSON, Mr. T.M.	Trade in Goods
	ANELL, Mr. L.	Trade in Goods; TRIPS
	FALLEN IUS, Mr. C.H.	Trade in Goods
	HÅKANSSON, Mr. G.P.-O.	Trade in Services
	HOLGERSSON, Mr. J.	Trade in Goods and Services
	KLEEN, Mr. P.	Trade in Goods
	LINDSTRÖM, Mr. J.M.	Trade in Goods
	MANHUSEN, Mr. C.	Trade in Goods and Services

<u>COUNTRY</u>	<u>NAME</u>	<u>SECTORAL EXPERIENCE</u>
SWEDEN (cont'd)	RISINGGÅRD, Mr. A.B.	Trade in Goods
	RODIN, Mr. A.	Trade in Goods; TRIPS
	STÅLBERG, Mr. L.A.	Trade in Goods
UNITED KINGDOM	ARKELL, Mr. J.	Trade in Services
	CROFT, Mr. R.H.F.	Trade in Services
	HINDLEY, Mr. B.V.	Trade in Goods and Services
	JOHNSON, Mr. M.D.C.	Trade in Goods
	MUIR, Mr. T.	Trade in Goods and Services; TRIPS
	ROBERTS, Mr. C.W.	Trade in Goods and Services
	TOULMIN, Mr. J.K.	Trade in Services
HONG KONG, CHINA	CARTLAND, Mr. M.D.	Trade in Goods and Services
	FOOTMAN, Mr. R.	Trade in Goods and Services
	LO, Mr. P.Y.F.	Trade in Goods
	MILLER, Mr. J.A.	Trade in Goods and Services
	SZE, Mr. M.C.C.	Trade in Goods
INDIA	DAS, Mr. B.L.	Trade in Goods
	DASGUPTA, Mr. J.	Trade in Goods
	GANESAN, Mr. A.V.	Trade in Goods, Services; TRIPS
	KUMAR, Mr. M.	Trade in Goods and Services
	MOHANTY, Mr. P.K.	Trade in Goods
	PRASAD, Ms. A.	Trade in Goods and Services; TRIPS
	RAMAKRISHNAN, Mr. N.	Trade in Goods
	RAO, Mr. P.S.	Trade in Goods
	REGE, Mr. N.V.	Trade in Goods
	SAJJANHAR, Mr. A.	Trade in Goods
	SHARMA, Mr. L.	Trade in Goods and Services; TRIPS
	WATAL, Mrs. J.	TRIPS
ISRAEL	ALTUVIA, Mr. M.	Trade in Goods
	GABAY, Mr. M.	TRIPS

<u>COUNTRY</u>	<u>NAME</u>	<u>SECTORAL EXPERIENCE</u>
ISRAEL(cont'd)	HARAN, Mr. E.F.	Trade in Services
	SEMADAR, Mr. M.	Trade in Goods
	TALBAR, Mr. M.A.	Trade in Goods
	WEILER, Mr. J.	Trade in Goods
JAPAN	ASAKURA, Mr. H.	Trade in Goods
	ISHIGURO, Mr. K.	Trade in Goods and Services; TRIPS
	IWASAWA, Mr. Y.	Trade in Goods
	KANDA, Mr. H.	Trade in Services
	KEMMOCHI, Mr. N.	Trade in Goods and Services
	KOTERA, Mr. A.	Trade in Goods and Services
	OHARA, Mr. Y.	Trade in Goods; TRIPS
	SHIMIZU, Mr. A.	Trade in Goods
	TAKASE, Mr. T.	Trade in Goods and Services
KOREA	TSURUOKA, Mr. K.	Trade in Services
	CHO, Mr. D.Y.	Trade in Goods and Services
	HAN, Mr. D.S.	Trade in Goods
	KIM, Mr. H.C.	Trade in Goods
	KIM, Mr. H.J.	Trade in Goods and Services; TRIPS
	PARK, Mr. N.	Trade in Goods
MAURITIUS	YUN, Mr. Y. G.	Trade in Goods
	BHUGLAH, Mr. A.	Trade in Goods and Services
NEW ZEALAND	FALCONER, Mr. C.D.	Trade in Goods
	FALCONER, Mr. W.J.	Trade in Goods and Services; TRIPS
	HAMILTON, Mr. P.W.	Trade in Goods
	MACEY, Mr. A.	Trade in Goods; TRIPS
	MCPHAIL, Mr. A.H.	Trade in Goods
	WALKER, Mr. D.J.	Trade in Goods and Services
	WOODFIELD, Mr. E.A.	Trade in Goods
NORWAY	BAKKE, Mr. E.	Trade in Goods and Services; TRIPS

<u>COUNTRY</u>	<u>NAME</u>	<u>SECTORAL EXPERIENCE</u>
	SIVERTSEN, Mr. A.	Trade in Goods
	THORVIK, Mr. A.	Trade in Goods
SWITZERLAND	BALDI, Mr. M.	Trade in Services
	BLATTNER, Mr. N.	Trade in Services
	CHAMBOVEY, Mr. D.	Trade in Goods
	COTTIER, Mr. Th.	Trade in Goods and Services; TRIPS
	GETAZ, Mr. H.A.	Trade in Services
	HÄBERLI, Mr. C	Trade in Goods
	INEICHEN-FLEISCH, Ms. M.-G.	Trade in Goods and Services
	TRAN, Ms. T.T.-L.	TRIPS
	WASESCHA, Mr. L.	Trade in Goods and Services; TRIPS
	WEBER, Mr. R.	Trade in Services
UNITED STATES	BIRENBAUM, Mr. D.E.	Trade in Goods
	GORDON, Mr. M.W.	Trade in Goods
	GREENWALD, Mr. J.A.	Trade in Goods; TRIPS
	HUDEC, Mr. R.E.	Trade in Goods and Services
	KASSINGER, Mr. T.W.	Trade in Goods and Services
	KIRK, Mr. M.K.	TRIPS
	LICHTENSTEIN, Ms. C.C.	Trade in Services
	PARTAN, Mr. D.G.	Trade in Goods
	REYNA, Mr. J.V.	Trade in Goods and Services
	VERRILL, Jr. Mr. C.O.	Trade in Goods
VENEZUELA	ESCOBAR, Mr. J.B.	Trade in Services
	MARQUEZ, Mr. G.	Trade in Services

Source: WTO Secretariat
as of 12/31/97

MEMBERSHIP OF THE WTO APPELLATE BODY

The membership of the WTO Appellate Body is as follows:

Mr. James Bacchus (United States)
Professor Claus-Dieter Ehlermann (Germany)
Justice Florentino Feliciano (the Philippines)
Professor Mitsuo Matsushita (Japan)

Mr. Christopher Beeby (New Zealand)
Dr. Said El-Naggar (Egypt)
Mr. Julio Lacarte Muro (Uruguay)

BIOGRAPHICAL NOTES:

James Bacchus

James Bacchus of the United States, born 1949, is an attorney who has been closely involved with international trade matters in both his public and professional careers for more than twenty years.

During his tenure in the US Congress, where he served two terms of office in the House of Representatives from 1991-1994, he was appointed to the ad hoc Trade Policy Coordinating Committee. From 1979-1981, he had served as Special Assistant to the United States Trade Representative Reubin Askew. Since leaving Congress in January 1995, Mr. Bacchus has returned to the Florida-based private law firm of Greenberg Traurig where he began his legal career before he joined the USTR in 1979. He has practised widely in the areas of corporate banking and international law.

Mr. Bacchus' educational distinctions include Bachelor of Arts with High Honours in History, Vanderbilt University, 1971; Master of Arts in History, Yale University, 1973 and Woodrow Wilson Fellow; and Juris Doctor, Florida State University College of Law, 1978. He has been the Thomas P. Johnson Distinguished Visiting Scholar at Rollins College in Florida, and remains an Adjunct Professor in the Department of Politics at Rollins, where he teaches political philosophy and public policy on a variety of issues including international trade.

Christopher Beeby

Christopher Beeby of New Zealand, born 1935, has been a career diplomat for more than thirty years, specialising in legal and economic affairs. He retired from government service in mid-1995.

Having gained his law degrees from Victoria University of Wellington and the London School of Economics, Mr. Beeby joined the legal division of the Department of Foreign Affairs in 1963, where he worked as the legal adviser to his government's delegation that negotiated the New Zealand-Australia Free Trade Agreement. In 1969 he became divisional head. In 1976 he was appointed head of the economic division and held that position until he was posted abroad as the ambassador to Iran and Pakistan from 1978-80. Upon returning to Wellington, he served first as Assistant Secretary and then, from 1985, as Deputy Secretary supervising, among other things, the legal and economic divisions. In 1992, he became New Zealand's Ambassador to France and Algeria, and Permanent Representative to the OECD.

Throughout his long public career, Mr. Beeby has gathered extensive expertise and experience in international law, dealing closely with trade, the GATT and the Uruguay Round instruments, and the construction and application of dispute settlement mechanisms in several different contexts.

Claus-Dieter Ehlermann

Professor Claus-Dieter Ehlermann of Germany, born 1931, is an internationally-recognized authority on international economic law who currently holds the Chair of Economic Law at the European University Institute in Florence and is Honorary Professor at the University of Hamburg. In May 1995, after more than 34 years of service for the European Commission, he retired from his post of Director-General of the Directorate General for Competition to the Commission.

In 1961 Professor Ehlermann joined the Legal Service of the European Commission and rose to become its head in 1977. He served as Director-General of the Legal Service for ten years until 1987 when he was appointed spokesman of the Commission and special adviser of the President on institutional questions. In 1990 he became Director-General of the Directorate-General for Competition, bringing him into close contact with competition authorities in the United States (within the framework of the bilateral US-EU Cooperation Agreement negotiated in 1990/91) and in Japan, Australia and New Zealand. He also assisted the fledgling competition authorities in the transition economies of Central and Eastern Europe.

Since 1972, Professor Ehlermann has also pursued an academic career, teaching Community Law in Bruges, Brussels, Hamburg, and, since May 1995, in Florence. He has written more than 160 publications which, since 1991, have dealt primarily with competition law and policy, industrial policy and international cooperation. He also serves as a member on several academic advisory bodies, in particular with respect to law reviews.

Said El-Naggar

Dr. Said El-Naggar of Egypt, born in 1920, is Professor Emeritus of Economics at Cairo University and has combined his academic expertise with public service for more than thirty years.

After a teaching career at Cairo University Dr. El-Naggar joined the United Nations Conference on Trade and Development (UNCTAD) in 1965 as Deputy Director of the Research Division, a post he held for six years until he was appointed Director of the United Nations Economic and Social Office in Beirut, Lebanon. From 1976 to 1984, he served as Executive Director of the World Bank representing the Arab Countries, before returning to Cairo University as Professor Emeritus. Since 1991, he has also been President of the New Civic Forum, an NGO dedicated to economic, political and social liberalization in Egypt.

Dr. El-Naggar graduated from the Faculty of Law at Cairo University in 1942 and completed graduate studies in economics at London University where he obtained a masters degree in 1948 and doctorate in 1951. He has also been a research fellow at the University of Michigan, Ann Arbor, Michigan, and a visiting professor at Princeton University, New Jersey. He is the author of several books and papers on international trade and finance, economic development, and the Egyptian economy.

Florentino Feliciano

Mr. Justice Florentino Feliciano of the Philippines, born 1928, is Senior Associate Justice of the Supreme Court of the Philippines and Vice-Chairman of the Academic Council of the Institute of International Business Law and Practice of the International Chamber of Commerce in Paris.

Before joining the Judiciary in 1986, Mr. Feliciano had been a Member since 1962 of the law firm Sycip, Salazar, Feliciano and Hernandez, where he was extremely involved in trade and corporate law cases and transactions concerning anti-dumping, intellectual property rights, banking and insurance services, shipping and telecommunications.

Mr. Feliciano also has extensive experience as an arbitrator in international investment and commercial disputes at the International Centre for Settlement of Investment Disputes in Washington, and at the ICC in Paris. He has been on the Arbitrators Panel of the American Arbitration Association in New York and was also a Member of the Asian Development Bank Administrative Tribunal.

Having graduated in law from the University of the Philippines, Mr. Feliciano went on to earn his Masters and Doctorate Degrees in law from Yale University. He taught in the Faculty of Law of the University of the Philippines and of Yale University. A Member of Institut de Droit International, he has lectured at the Hague Academy of International Law. He has written and published on various aspects of international business law and public international law.

Julio Lacarte Muro

Mr. Julio Lacarte Muro of Uruguay, born 1918, was a career diplomat who has been involved with the GATT/WTO trading system since its creation almost fifty years ago and has participated in all eight rounds of multilateral trade negotiations under the GATT.

Mr. Lacarte served as the Deputy Executive Secretary of the GATT in 1947-48. He returned to the GATT as Uruguay's Permanent Representative in 1961-66 and 1982-92, during which periods he served as Chairman of the Council, the Contracting Parties, several dispute settlement panels, and the Uruguay Round negotiating groups on dispute settlement and institutional questions.

Mr. Lacarte has also served as the Deputy Director of the International Trade and Balance-of-Payments Division of the United Nations and as the Director of Economic Cooperation among Developing Countries of UNCTAD. He has also been Uruguay's Ambassador to several countries, including the European Communities, India, Japan, the United States and Thailand.

In his academic career, Mr. Lacarte has been a professor at the International Association of Comparative Law and at the University of Comparative Law at Strasbourg University. He has written several publications, including a recently-published book covering all the subject matter of the Uruguay Round from its inception to the Marrakesh Final Act.

Mitsuo Matsushita

Professor Mitsuo Matsushita of Japan, born 1933, is Professor of Law at Seikei University and Professor Emeritus at Tokyo University.

Having gained his degrees from Tulane University, USA, and Tokyo University, Professor Matsushita went on to become widely acknowledged as one of the most authoritative Japanese scholars in the field of international economic law. In his academic career he has held professorships at many universities including Harvard, Georgetown, Michigan, Columbia, and at the College of Europe in Bruges, Belgium. He has written many publications on various aspects of international trade and competition and investment law.

In his public career, Professor Matsushita has been attached to the Ministry of Finance and the Ministry of International Trade and Industry as a member of various councils dealing with telecommunications, customs and tariffs, export and import transactions, and industrial property. He has also served as a member of the Special Grievance Resolution Council attached to the Office of Trade and Investment Ombudsman.

Source: WTO Secretariat

WTO BUILT-IN AGENDA TIMEFRAMES
Specific Deadlines Referenced in the WTO Agreements¹

DEADLINE	AGREEMENT	EVENT/ACTIVITY	FOLLOW-UP?
September 1997	Information Technology Agreement	Potential new product additions, leading to revised product coverage list by 1-1-99.	Periodically, potentially to include NTBs, etc.
December 1997	Preshipment Inspection	Report on agreement's operation, providing vehicle for improving transparency of agreement.	Review and possible amendments every three years
December 1997	GATS (Financial Services)	Conclusion of extended negotiations	N/A
December 31, 1997	Textiles & Clothing	First CTG review of implementation of integration process	Subsequent reviews before end of 2001 and 2004
December 31, 1997	Standards (TBT)	Committee review of Agreement	Repeat every three years
December 31, 1997	Government Procurement	Begin further negotiations to improve Agreement and extend coverage	N/A
December 31, 1997	TRIPs	Completion of review of geographical indications	N/A
December 31, 1997 (approx.)	Rules of Origin	Completion of WCO technical work for harmonization negotiation	N/A
February 5, 1998	Basic Telecom Services	Entry into force of commitments under Basic Telecom Agreement	Establishment of WTO Telecom Committee is under consideration
January 1, 1998	SPS	Committee begins review of Agreement	N/A
January 1, 1998	Government Procurement	Beginning of "major" review of S&D provisions	N/A
January 1, 1998	Antidumping	Beginning of review of special standard of review applicable to AD disputes	N/A
June 30, 1998	GATS	Deadling for conclusion of results (if any) of safeguards negotiations	N/A
June 30, 1998	ITA-II	Scheduled completion of negotiations	(This is follow-up from first line item of matrix.)
July 20, 1998	Rules of Origin	Completion of harmonization work program	N/A
December 31, 1998	DSU	Ministerial Conference to complete review of DS rules/procedures	N/A

¹ This table presents, in chronological order, the schedule of review and negotiation timeframes contained in the WTO's "built-in agenda." It addresses only specific (and specific follow-up) deadlines stipulated in the WTO Agreements and related Decisions and Declarations. The WTO and related agreements also contain frequent references to "annual reviews," "periodic reviews," "on-going reviews and open-ended reviews, which are not included here. Neither are past deadlines included. Unless otherwise specified, the dates shown represent -- theoretically -- the *last* date by which the relevant event or activity would occur or begin.

DEADLINE	AGREEMENT	EVENT/ACTIVITY	FOLLOW-UP?
December 1998	Singapore Working Groups on Competition and Investment	Reports to General Council for consideration of any further work	N/A
January 1, 1999	TRIPs	Review of provisions allowing exclusion from patentability of plants and animals other than microorganisms, etc.	N/A
December 31, 1999 (to begin not later than...)	Agriculture	Beginning of next phase of negotiations on agriculture reform	N/A
December 31, 1999	Subsidies	Expiration of greenlight and dark amber subsidy provisions, unless Committee extends	N/A
December 31, 1999	TRIPs	End of period during which TRIPs Council will examine grounds for permitting non-violation nullification or impairment cases	N/A
January 1, 2000	GATT 1994	Review of Jones Act exemption	Repeat review every two years, as long as exemption lasts
January 1, 2000	GATT Art. XXVIII	CTG review of criterion for determining principal supplier interest v/v negotiating rights re schedule modifications	N/A
January 1, 2000	TRIMs	CTG review of Agreement	N/A
January 1, 2000	Subsidies	Committee review of provisions requiring accelerated phase out of LDC export subsidies in export-competitive products	N/A
January 1, 2000	GATS	Deadline for beginning of next round of negotiations to liberalize services trade	Subsequent rounds to be held periodically thereafter
January 1, 2000	GATS	CTS review of MFN exemptions granted for >5 year period	N/A
January 1, 2000	GATS	CTS review of air transport sector and possible further application of the GATS to this sector	Repeat review at least every five years
January 1, 2000	TRIPs	Beginning of TRIPs Council review of Agreement	Repeat review at least every two years thereafter, with additional reviews where warranted
January 1, 2000	TRIPs	Implementation date for most developing country obligations	
January 1, 2000	TPRM	Beginning of TPRB review of mechanism	N/A
December 31, 2001	Textiles & Clothing	CTG review of implementation of second stage of integration process	

DEADLINE	AGREEMENT	EVENT/ACTIVITY	FOLLOW-UP?
December 31, 2004	Textiles & Clothing	CTG review of implementation of third stage of integration process	

IMPLEMENTATION OF THE MINISTERIAL DECLARATION ON TRADE IN INFORMATION TECHNOLOGY PRODUCTS

The following Members of the World Trade Organization ("WTO") and States or separate customs territories in the process of acceding to the WTO:

Australia	Norway
Canada	Macau
Czech Republic	Malaysia
Costa Rica	New Zealand
Estonia	Romania
European Communities	Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu
Hong Kong	Singapore
Iceland	Slovak Republic
India	Switzerland ¹
Indonesia	Thailand
Israel	Turkey
Japan	United States
Korea	

(hereinafter referred to as "participants")², having been parties to the Ministerial Declaration on Trade in Information Technology Products³ (hereinafter referred to as "Declaration"), or having agreed, in the period since the Declaration was circulated, to participate in the expansion of world trade in information technology products according to the modalities set forth in the Declaration, met on 26 March 1997⁴, took the decisions described below,

¹ On behalf of the customs union Switzerland and Liechtenstein.

² Participants took note that Panama and Poland submitted documents after 1 March 1997 that could not be reviewed by 26 March 1997 and that others may submit documents on or before 1 April 1997. Participants agreed to meet again during the week of 14 April 1997 to complete the review process with respect to these documents. It was understood that, upon approval of these documents, the procedures set forth in the Annex to the Declaration would apply as if the documents had been approved at the meeting of 26 March 1997, and the States or separate customs territories referred to above would thenceforth be considered to be "participants" for purposes of the further implementation of the Declaration.

³ WT/MIN(96)/16, 13 December 1996 (attached).

⁴ The WTO Secretariat shall maintain a set of the informal documents exchanged by participants in consultations that led to the decisions taken at that meeting. These documents shall be made available to participants for consultation upon request.

as provided for in the Annex to the Declaration, and established the elements described below, concerning the further implementation of the Declaration, as reflected below.

Agreement on Actions foreseen in the Declaration

1. The participants accepted⁵ the results of the review process described in paragraph 2 of the Annex to the Declaration, as reflected in the documents attached hereto, which were submitted by participants and have been reviewed and approved on a consensus basis.
2. The participants agreed that the criteria established in paragraph 4 of the Annex to the Declaration have been met, and therefore, that participants shall implement⁵ the actions foreseen in the Declaration.

Establishment of the Committee of Participants

3. In order to carry out the provisions of paragraphs 3, 5, 6 and 7 of the Annex to the Declaration, the participants established a Committee of Participants on the Expansion of Trade in Information Technology Products (hereinafter referred to as "Committee"). The Committee shall oversee the functioning of these elements and shall serve as the forum for meetings required under its procedures and collective consultations among the participants. All decisions of the Committee shall be taken by consensus.
4. Membership in the Committee shall be open to representatives of all participants. The Committee shall elect a chairperson from among the representatives of the participants or as otherwise decided. The Committee may decide to invite, as appropriate, representatives of WTO Members and of observers to the Council for Trade in Goods that are not participants as of 26 March 1997 to attend meetings of the Committee as observers.
5. The participants agreed that any WTO Member, or State or separate customs territory in the process of acceding to the WTO, that is not a participant as of 26 March 1997, and that notifies the Committee of its interest in binding and eliminating customs duties, and other duties and charges, on the importation of information technology products into its territory pursuant to these elements, may become a participant on terms to be agreed between it and the participants at that time. Unless otherwise agreed, such WTO Member, or separate customs territory in the process of acceding to the WTO, shall, on the date that it becomes a participant, make effective all rate reductions it would have undertaken had it been a participant as of 26 March 1997.
6. The participants agreed that the Committee shall hold regular meetings to review developments related to the implementation of the Declaration, and shall hold special meetings at the request of any participant or as otherwise necessary by invitation of the chairperson. The first regular meeting of the Committee shall be held no later than 30 September 1997. The Committee shall consider at that meeting the schedule of future regular meetings, taking account of the meetings provided for in paragraph 7 below.

Process for Monitoring Implementation and Consultations on and Review of Product Coverage

7. The participants agreed that, in conducting the consultations and review described in paragraph 3 of the Annex to the Declaration⁶, the Committee may also take into account changes in patterns in trade in information technology

⁵ Subject to the completion of domestic procedural requirements.

⁶ The text of paragraph 3 is as follows: "Participants shall meet periodically under the auspices of the Council on Trade in Goods to review the product coverage specified in the Attachments, with a view to agreeing, by consensus, whether in the light of technological developments, experience in applying the tariff concessions, or changes to the HS nomenclature, the

products. The participants expressed their intent to conduct the initial review and any consultations pursuant to paragraph 3 of the Annex to the Declaration according to the procedures attached hereto.

8. The participants also agreed that, in conducting the consultations described in paragraph 5 of the Annex to the Declaration,⁷ the Committee may consider product classification divergences with a view to ensuring that the actions foreseen in the Declaration are implemented in a coherent fashion by all participants.

GATT 1994 Article XXVIII

9. The participants agreed that any participant that is a WTO Member having recourse to the provisions of Article XXVIII of the GATT 1994 with respect to the possible modification or withdrawal of a concession included in its WTO schedule of tariff concessions, as modified pursuant to these procedures, shall so notify the other participants at the time that it notifies the Director-General of the WTO. Upon the request of any participant, the Committee shall convene a meeting within thirty days of the circulation of the notification to consider the potential impact of the proposed modification or withdrawal of the concession on the trade of other participants in information technology products. Such deliberations shall be without prejudice to rights and obligations under the WTO Agreement.

10. The participants agreed that, in light of the technical specificity of information technology products, participants may wish to consider, in the course of the review provided for in paragraph 3 of the Annex to the Declaration, additional procedures to address the concerns of small- and medium-sized exporting participants regarding their rights under Article XXVIII, bearing in mind that a review will be conducted by the Council for Trade in Goods five years from the date of entry into force of the WTO Agreement pursuant to paragraph 1 of the Understanding on the Interpretation of Article XXVIII of the General Agreement on Tariffs and Trade 1994.

Incorporation of the Annex to the Declaration

11. The participants agreed that the modalities set forth in the Annex to the Declaration, including the Attachments to that Annex, are an integral part of these elements.

PROCEDURES FOR CONSULTATIONS ON AND REVIEW OF PRODUCT COVERAGE

Pursuant to paragraph 7 above, it is the intention of the participants to conduct the initial review and any consultations pursuant to paragraph 3 of the Annex to the Declaration according to the following schedule:

- (a) Beginning 1 October 1997 and no later than 31 December 1997, participants may submit to the Committee lists of additional information technology products for possible additional tariff concessions, including supporting technical documentation to facilitate consideration by the Committee, taking into account paragraph 5 of the Annex to the Declaration regarding classification issues. Such lists shall be circulated to all participants.

Attachments should be modified to incorporate additional products, and to consult on non-tariff barriers to trade in information technology products. Such consultations shall be without prejudice to rights and obligations under the WTO Agreement."

⁷ The text of paragraph 5 is as follows: "Participants shall meet as often as necessary and no later than 30 September 1997 to consider any divergence among them in classifying information technology products, beginning with the products specified in Attachment B. Participants agree on the common objective of achieving, where appropriate, a common classification for these products within existing HS nomenclature, giving consideration to interpretations and rulings of the Customs Co-operation Council (also known as the World Customs Organization or "WCO"). In any instance in which a divergence in classification remains, participants will consider whether a joint suggestion could be made to the WCO with regard to updating existing HS nomenclature or resolving divergence in interpretation of the HS nomenclature."

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- (b) Beginning 1 January 1998 and no later than 31 March 1998, participants that have submitted the documentation described in paragraph (a) above shall consult upon request with interested participants to clarify information and exchange views on the documentation submitted, including technical specifications of the products covered in such documentation.
 - (c) No later than 30 June 1998, the Committee shall meet to decide whether to revise Attachment A or B to the Annex to the Declaration, and if so, to establish a revised list of products with respect to which participants would bind and eliminate customs duties and other duties and charges. Such list would replace Attachment A or B.
 - (d) If the Committee decides to establish a revised list pursuant to paragraph (c), then each participant shall submit no later than 1 September 1998 a document similar to that required under paragraph 2 of the Annex to the Declaration.
 - (e) The Committee shall meet no later than 15 September 1998 to conduct a review of these documents in a manner similar to that conducted pursuant to paragraph 2 of the Annex to the Declaration, and shall conclude its review no later than 30 September 1998. At that meeting participants shall also consider the possibility and procedures for further reviews.
 - (f) Upon successful completion of the Committee review, the participants shall submit to the Secretariat the documents incorporating the results of the review as proposed modifications to their WTO Schedules of tariff concessions, pursuant to the Decision of 26 March 1980 on Procedures for Modification and Rectification of Schedules of Tariff Concessions (BISD, 27S/25), with a view to the entry into force of the revised Schedules, and incorporation in their domestic tariff schedules, no later than 1 January 1999 bearing in mind the need of each participant to fulfil its domestic procedural requirements. Each participant that is not a Member of the WTO shall implement these measures on an autonomous basis, pending completion of its WTO accession, and shall incorporate these measures into its WTO schedule on goods.

WORLD TRADE ORGANIZATION

G/L/214

2 December 1997

(97-5287)

Working Party on Preshipment Inspection

REPORT OF THE WORKING PARTY ON PRESHPMENT INSPECTION TO THE GENERAL COUNCIL

1. The Working Party on Preshipment Inspection was established by the General Council at its meeting of 7, 8, and 13 November 1996. The Working Party conducted the review under Article 6 of the WTO Agreement on Preshipment Inspection. Article 6 states that:

"At the end of the second year from the date of entry into force of the WTO Agreement and every three years thereafter, the Ministerial Conference shall review the provisions, implementation and operation of this Agreement, taking into account the objectives thereof and experience gained in its operation. As a result of such review, the Ministerial Conference may amend the provisions of the Agreement".

The terms of reference were as follows:

"to conduct the review provided for under Article 6 of the Agreement on Preshipment Inspection and to report to the General Council through the Council for Trade in Goods in December 1997".

2. This report is organized in two sections: A. a summary of the work undertaken over the year; and, B. the Working Party's recommendations.

A. Summary of work

3. The Working Party held four formal meetings, on 28 February, 13 June, 24 September, and 1 December 1997. The minutes of the formal meetings are contained in G/PSI/WP/M/1, 2, 3, and 4 (to be issued).

4. Early in its deliberations, the Working Party agreed with the Chairman's proposal to review on the basis of a four-track process, the "provisions, implementation and operation of this Agreement, taking into account the objectives thereof". The four tracks were (a) the Chairman's informal consultations with Members; (b) submissions of national experiences with preshipment inspection (PSI) and with the Agreement on Preshipment Inspection; (c) a data-based Survey/Questionnaire; and (d) exchange of views on the identified Checklist of Issues.

(a) First Track: Chairman's informal consultations

5. The Working Party held eight informal meetings during 1997, on 14 May, 24 September, 13, 20, and 24 October, and 6, 18 and 26 November 1997. These consultations and informal meetings were used primarily to allow a free discussion in order for Members to inform and educate themselves on the issues identified and concerns

expressed, and to establish the procedures for the review. The last five informal meetings focused on the preparation of the final report. The Chairman also met with delegations over the course of the year.

(b) Second Track: Submissions of national experiences

6. At its first meeting, the Working Party agreed that it would benefit from written submissions by Members on their experiences with preshipment inspection and with the Agreement. 37 countries use PSI services, of which 34 are WTO Members. Out of this number, six Members, Ghana, the Philippines, Peru, Colombia, the Côte d'Ivoire, and Kenya, submitted national experiences. These are contained in documents G/PSI/WP/W/3, 4, 5, 6, 10, and 14. The United States circulated a non-paper at the first meeting explaining its experiences with preshipment inspection and with the Agreement. Switzerland submitted a communication (G/PSI/WP/W/9) based on the different issues identified in the Chairman's Checklist of Issues (see paragraph 8 below). Question and answer sessions followed each presentation and provided an opportunity for Members to better familiarize themselves with various PSI programs, in principle and in practice. The question and answer sessions also allowed Members with specific grievances regarding certain programs and measures taken within the framework of PSI to request clarification and to consult bilaterally on these problem areas. Questions and answers were circulated in documents G/PSI/WP/W/7 and Rev.1, G/PSI/WP/W/12 and Corr.1, and G/PSI/WP/W/13.

(c) Third Track: Data-based Survey/Questionnaire

7. This track of work consisted of a Survey/Questionnaire containing 11 questions designed to garner uniform data and to provide an empirical factual basis for the Working Party's review. The results of the Survey/Questionnaire, compiled into a tabular format, provided an objective and factual body of information to the Working Party. They supplemented the limited number of national experiences submitted with a factual picture of the conduct of preshipment inspection activities and with additional elements on which to assess the effectiveness of the Agreement in regulating such activities.

(d) Fourth Track: Exchange of views on the Checklist of Issues

8. Based on the views expressed at the first meeting and informal consultations, the Chairman presented, on his own responsibility, a working document listing the identified issues, to provide a framework for discussions and to guide the review process. This was contained in document G/PSI/WP/W/2. The Checklist elaborated on 7 issues: price verification, confidentiality of business information, non-discriminatory application of inspection criteria, transparency, delays, on-site representation of PSI entities, and operation of the Independent Entity. During the discussions, Members agreed to add three additional issues, conflicts of interest, notifications, and technical assistance. At its third meeting, the Working Party agreed that these 10 issues would form the basis of its final report.

9. In the exchange of views by the Working Party on the issues of price verification, revenue collection targets, and the eradication of corruption, it was felt that the views of the international financial institutions, on these issues, would be useful. Consequently, their views were sought, and are summarized in the Annex to this document.

B. Recommendations

Having regard to Members' experiences with the PSI Agreement, the results of its Survey/Questionnaire, and analysis, the Working Party reached the following understandings in order to enhance implementation of the Agreement:

(a) Recommendations for immediate action

1. Price verification by PSI entities for customs purposes shall be limited to provision of technical advice to facilitate the determination of customs value by the user Member. In this regard, the ultimate responsibility for customs valuation and revenue collection rests with user Members. All activities of PSI entities should be monitored by user Members who should be encouraged to reflect this in national legislation or administrative regulations.

In order to ensure compliance with the requirements of Articles 2.5 to 2.8 on transparency, Article 2.1 on non-discrimination and Article 2.20 on price verification, a user Member should require PSI entities to:

- (i) make publicly available a single set of price verification criteria; and
- (ii) inform exporters and importers of the applicable valuation methodology.

Price verification criteria should include the customs valuation methodology, as specified in user Members' national legislation or administrative regulations, used when providing technical advice on customs valuation. In this regard, user Members should encourage PSI entities to utilize electronic means for purposes of providing required information to exporters and importers.

User Members shall ensure that requests for information do not go beyond Articles 2.12 and 2.20 of the Agreement on Preshipment Inspection. Reciprocally, exporter Members should inform user Members when they become aware that PSI entities' requests for information go beyond these Articles.

In conformity with Article 2.21, a user Member shall ensure that the PSI entity, when responding to a dispute on price verification, provides a detailed written explanation within 10 days of receipt of the complaint, setting forth the basis of its opinion of value by reference to the specific applicable elements of the price verification criteria.

2. In accordance with Article 3.3, exporter members should ensure that their technical assistance activities are designed to address the specific needs of user Members in implementing the terms and objectives of the Agreement.

3. User Members should ensure that PSI entities are encouraged to establish local focal points in countries where they do not have physical, on-site representation. The establishment of websites by IFIA and by PSI entities with on-line services would enhance efficiency of PSI operations in such areas as procedures, methods, inspection criteria, responses to inquiries, and dissemination of other usable, essential information by importers and exporters. In addition to providing hard copies, PSI entities should be encouraged to communicate Clean Reports of Findings (CRFs) to importers and exporters through electronic means.

4. All Members shall notify their laws and regulations, in accordance with Article 5 of the Agreement, as well as any changes thereto. In submitting these notifications, Members should endeavour to provide additional descriptive information on how they are implementing the Agreement.

5. In furtherance of Articles 2.9-2.13, user Members shall ensure that contracts with PSI entities or national implementing legislation or administrative regulations specify procedures to be undertaken by such entities to limit the confidential business information they seek from exporters to that provided for under the Agreement and to ensure that any such information obtained by PSI entities is not used for any other purpose than PSI activities for the user Members, as defined in Article 1.3. Any breach of the rule of confidentiality by the PSI entity is an action that may be brought against the PSI entity in the appropriate judicial or administrative forum of the user Member.

6. User Members shall ensure that contracts with PSI entities or national implementing legislation or administrative regulations provide for fee structures that do not create incentives for potential conflicts of interest

in any way that may be inconsistent with the objectives of the Agreement. Additionally, contracts with PSI entities or national implementing legislation or administrative regulations shall specify that PSI entities should not inspect transactions involving products in which a PSI entity or its related company may have a commercial interest.

7. User Members shall ensure that PSI entities issue CRFs to importers and exporters immediately on receipt of the final documents and completion of inspection. As foreseen in Article 2.16, in no case must the issuance of a CRF exceed 5 working days after an inspection. In the event that a CRF has not been issued, the user Member shall ensure that the PSI entity issues a detailed written explanation specifying the reasons for non-issuance.

(b) Recommendations for future action

8. The life of the Working Party shall be extended for one year to exchange views on a Code of Conduct/Practice for PSI entities; a standard inspection format; selective examination of shipments; auditing of PSI entities; the promotion of competition among PSI entities; fee structures for PSI entities; and the use, to user Members, of building price data bases.

9. An assessment of technical assistance activities should be undertaken, in accordance with Article 3 of the Agreement, and draw upon the assessment of technical assistance activities under consideration in the Committee on Customs Valuation and the integrated framework for trade-related technical assistance endorsed by the WTO High-Level Meeting for Least Developed Countries. Technical assistance activities, which should be administered on a request basis, could include areas such as tariff and customs administration reforms; simplification and modernization of systems and procedures; and the development of an adequate legal, administrative, and physical infrastructure.

ANNEX

Views of International Financial Institutions

(a) The World Bank

The World Bank confirmed that it has no Bank-wide policies dealing with the use of PSI to address under or over invoicing of trade transactions. Nevertheless, the World Bank has included conditions regarding the use or administration of PSI in the terms of its loans to a wide range of countries, including structural adjustment loans in the 1990s to Kenya, Togo, Côte d'Ivoire, Sierra Leone, Benin, Malawi, Mauritania, Jordan and Mozambique. The World Bank noted that the primary focus of its staff is on the implications of the trade regime for economic efficiency, rather than on revenue-raising objectives. Typically, this leads Bank staff to recommend low and uniform tariffs and elimination of non-tariff barriers, and Bank support for PSI would be as a means to achieve such a trade regime.

(b) The International Monetary Fund

The IMF confirmed that while it assesses and evaluates customs revenues and compares amounts collected to establish targets, it does not generally require the use of PSI entities to enforce such targets. The IMF also noted that the use of PSI services is not always or universally advisable and that it should be considered only on a case-by-case basis. In countries where customs revenue performance is weak and/or corruption in customs administration is thought to be a major problem, Fund staff have found the use of PSI services to be a positive element in customs rehabilitation. However, the IMF emphasized that engagement of PSI services has not always eliminated corruption. The use of PSI may be appropriate if local administrative capacity in customs is exceptionally weak, if the PSI program points to tangible and measurable revenue improvements, if arrangements are clearly specified for the

transfer of skills and technology, and if the costs are reasonable. The IMF further expressed the view that, in all cases, programmed withdrawal of PSI services should be undertaken as the national customs offices demonstrate a capacity for implementing reforms.

Work Program of the WTO Committee on Trade and Environment

- ▶ the relationship between the provisions of the multilateral trading system and trade measures for environmental purposes, including those pursuant to multilateral environmental agreements;
- ▶ the relationship between environmental policies relevant to trade and environmental measures with significant trade effects and the provisions of the multilateral trading system;
- ▶ the relationship between the provisions of the multilateral trading system and:
 - (a) charges and taxes for environmental purposes
 - (b) requirements for environmental purposes relating to products, including standards and technical regulations, packaging, labeling and recycling;
- ▶ the provisions of the multilateral trading system with respect to the transparency of trade measures used for environmental purposes and environmental measures and requirements which have significant trade effects;
- ▶ the relationship between the dispute settlement mechanisms in the multilateral trading system and those found in multilateral environmental agreements;
- ▶ the effect of environmental measures on market access, especially in relation to developing countries, in particular to the least developed among them, and environmental benefits of removing trade restrictions and distortions;
- ▶ the issue of exports of domestically prohibited goods,
- ▶ trade in services and the environment
- ▶ trade-related aspects of intellectual property rights and the environment
- ▶ input to the relevant bodies in respect of appropriate arrangements for relations with inter-governmental and non-governmental organizations referred to in Article V of the WTO.

Original: English

Committee on Technical Barriers to Trade

**FIRST TRIENNIAL REVIEW OF THE OPERATION AND IMPLEMENTATION OF
THE AGREEMENT ON TECHNICAL BARRIERS TO TRADE**

I. INTRODUCTION

1. Article 15.4 of the Agreement on Technical Barriers to Trade provides that "Not later than the end of the third year from the date of entry into force of the WTO Agreement and at the end of each three-year period thereafter, the Committee shall review the operation and implementation of this Agreement, including the provisions relating to transparency, with a view to recommending an adjustment of the rights and obligations of the Agreement where necessary to ensure mutual economic advantage and balance of rights and obligations, without prejudice to the provisions of Article 12. Having regard, *inter alia*, to the experience gained in the implementation of the Agreement, the Committee shall, where appropriate, submit proposals for amendments to the text of this Agreement to the Council for Trade in Goods."

2. The Committee on Technical Barriers to Trade conducted its First Triennial Review of the Agreement at its eighth, ninth, tenth and eleventh meetings held on 14 February, 20 June, 3 October and 13 November 1997 (G/TBT/M/7-10). Submissions by delegations for the purpose of the Review are contained in documents G/TBT/W/36, 39, 40, 41, 44, 45, 47 and Add. 1, 48, 50, 51, 53, 54, 55 and 56.

3. The Committee reiterated the importance of the prevention and elimination of technical barriers to trade and the essential role of the Agreement in furthering these objectives. The Committee attached special importance to this First Triennial Review. Priority was given to the operation and implementation of the Agreement, including the provisions relating to transparency, Article 11 "Technical Assistance to Other Members" and Article 12 "Special and Differential Treatment of Developing Country Members". Bearing in mind the High-Level Meeting on Integrated Initiatives for Least-Developed Countries' Trade Development, the Committee noted that technical assistance activities of the WTO should be coordinated with other international intergovernmental organizations. In this respect, special attention should also be given to the development of human and institutional resources, in particular, with respect to conformity assessment procedures.

4. The Committee examined the status of implementation by Members and assessed the extent to which the operation of the Agreement facilitated trade in all Members, including the trade of small and medium size enterprises (SMEs). The overall view was that the operation of the Agreement during the first three years of its existence revealed the capacity and potential of the Agreement to advance the objectives of GATT 1994, by ensuring that technical regulations, standards and procedures for assessment of conformity do not create unnecessary obstacles to international trade. The Committee considered that adjustment of the rights and obligations of the Agreement and amendments to its text were not necessary. The Committee noted however, that certain difficulties or problems existed in a number of areas regarding the operation and implementation of the Agreement. Accordingly, the

Committee adopted a number of decisions, recommendations and arrangements aimed at better operation and implementation of the Agreement. In addition, the Committee reiterated that in accordance with Article 13.1, each Member had the opportunity of consulting in the Committee on any matters relating to the operation of the Agreement or the furtherance of its objectives.

II. ELEMENTS CONSIDERED UNDER THE REVIEW

A. Implementation and Administration of the Agreement by Members under Article 15.2

5. Article 15.2 provides that "Each Member shall, promptly after the date on which the Agreement enters into force for it, inform the Committee of measures in existence or taken to ensure the implementation and administration of the Agreement". Relevant decisions taken by the Committee concerning the contents of these written statements as provided for in document G/TBT/1/Rev.4 cover, *inter alia*, the legislative, regulatory and administrative action taken as a result of the negotiation of the Agreement or currently in existence to ensure that the provisions of the Agreement are applied, and information on measures and arrangements for the purpose of transparency. The Committee noted that the Singapore Ministerial Declaration attached high priority to full and effective implementation of the WTO Agreement, and stated that those Members "which have not submitted notifications in a timely manner or whose notifications are not complete, should renew their efforts". The Committee reiterated the importance of Members fulfilling their obligations for the implementation and administration of the Agreement, and urged them to submit their statements under Article 15.2 in accordance with the requirements contained in the relevant decisions.

6. At the conclusion of the First Triennial Review, 58 Members have submitted their statements. The Committee considered that the status of implementation was not satisfactory. The Committee noted that the issue involved two elements, namely the submission of the statements, and the arrangements for the implementation and administration of the Agreement. Certain Members might face difficulties in providing the information and need clarification of the notification requirements. Certain Members might also encounter difficulties and problems regarding the measures and arrangements to ensure the implementation and administration of the Agreement by relevant authorities and non-governmental standardizing bodies. The Committee agreed that an exchange of information and experience among Members would help to identify such problems and difficulties, and provide assistance to those Members seeking it.

7. In order to ensure the submission of statements under Article 15.2, and to improve the implementation and administration of the Agreement, the Committee agreed to the following:

- (a) With due consideration to the obligations under Article 15.2 to inform the Committee of measures in existence or taken to ensure the implementation and administration of the Agreement, Members who have not submitted such information are expected to do so without further delay. They are invited to indicate any difficulties and needs in this respect, so that technical assistance may be provided as appropriate; and
- (b) for the purpose of information exchange, Members are invited, on a voluntary basis, to make oral presentations to further elaborate on the arrangements they have in place to achieve an effective implementation and administration of the provisions of the Agreement, including those under Article 12. This exercise would be a useful means of sharing information with respect to good practices and in meeting the needs of those Members that may be seeking assistance.

B. Operation and Implementation of Notification Procedures under Articles 2, 3, 5 and 7

8. Under Articles 2.9.2, 2.10.1, 3.2 (in relation to Articles 2.9.2 and 2.10.1), 5.6.2, 5.7.1 and 7.2 (in relation to Articles 5.6.2 and 5.7.1), notifications should be made with respect to draft technical regulations and procedures for assessment of conformity prepared by central government bodies and local government bodies directly below the central government level. In order to ensure a uniform and efficient operation of these provisions, the procedures for notification are kept under review by the Committee. The Committee recalled that the relevant recommendations and decisions, including the information contained in the notification form, timing of notifications, and handling of comments on notifications were contained in document G/TBT/1/Rev.4. It reiterated the importance of compliance with the relevant provisions of the Agreement, including Article 10.5, the agreed format and guidelines, and stressed that timely notification at the drafting stage was essential to ensure transparency. The Committee stressed the importance of the provisions of Article 2.9.4 which provide that "Members shall without discrimination, allow reasonable time for other Members to make comments in writing, discuss these comments upon request, and take these written comments and the results of these discussions into account".

9. With a view to ensuring the efficient and effective functioning of these transparency provisions, the Committee agreed to the revised notification format attached. The Committee reiterated the importance of clearly indicating the content of the proposed or adopted technical regulation or procedures for assessment of conformity in accordance with the decision on notification procedures (G/TBT/1/Rev.4). The Committee stressed the importance of complying with the recommendation contained in G/TBT/1/Rev.4 that the normal time limit for comments on notifications should be 60 days. Any Member able to provide a time-limit beyond 60 days is encouraged to do so. Based on information provided by Members, a list will be prepared by the Secretariat to indicate those Members whose local government bodies, directly below the central government level, are authorized to adopt technical regulations or conformity assessment procedures. The Secretariat shall draw the attention of developing country Members to any notifications relating to products of particular interest to them. The Committee will examine any problems faced by developing country Members in the implementation of the provisions regarding notification obligations so that technical assistance may be provided as appropriate.

C. Acceptance, Implementation and Operation of the Code of Good Practice for the Preparation, Adoption and Application of Standards by Standardizing Bodies

10. Under Article 4 of the Agreement, "Members shall ensure that their central government standardizing bodies accept and comply with the Code of Good Practice ... They shall take such reasonable measures as may be available to them to ensure that local government and non-governmental standardizing bodies within their territories, as well as regional standardizing bodies of which they or one or more bodies within their territories are members, accept and comply with the Code of Good Practice".

11. At the conclusion of the First Triennial Review, 84 standardizing bodies have notified their acceptance of the Code. The Code provides disciplines such as, non-discrimination, transparency, harmonization and avoidance of unnecessary obstacles to trade. The Committee considered that the status of implementation was not satisfactory. It noted that the proliferation of standards prepared, adopted and applied by standardizing bodies which did not follow the disciplines of the Code could have a potentially adverse impact on trade, even if they were voluntary. The failure of standardizing bodies of some Members to accept and comply with the Code undermined the effectiveness of the Agreement and the balance of rights and obligations between Members. The Committee reiterated the importance of enhancing the maximum acceptance of, and compliance with the Code by all standardizing bodies.

12. In order to improve the transparency, acceptance of, and compliance with the Code, the Committee agreed to the following:

-
- (a) Members are invited to share their experience with respect to the steps taken to fulfil their obligations under Article 4 and to exchange information on the reasons why certain standardizing bodies as identified in Article 4.1 have not yet accepted the Code;
 - (b) Members should take appropriate action to inform standardizing bodies of the provisions of the Code and the benefits they would gain from accepting it;
 - (c) the Committee will examine any problems faced by Members in the implementation of the provisions of the Code, for example, problems encountered in publishing work programs every six months as required under paragraph J, so that appropriate technical assistance can be provided, if necessary;
 - (d) the Secretariat will draw up a list of standardizing bodies on the basis of information provided by Members for this purpose; and
 - (e) without prejudice to the views of Members concerning the coverage and application of the Agreement, the obligation to publish notices of draft standards containing voluntary labelling requirements under paragraph L of the Code is not dependent upon the kind of information provided on the label.

13. In accordance with paragraph G of the Code, with a view to harmonizing standards on as wide a basis as possible, the Committee stressed in particular the need for standardizing bodies to play a full part, within the limits of their resources, in the work of international standardizing bodies. In accordance with paragraphs F and H, the Committee also stressed the importance of national standardizing bodies making every effort to achieve national consensus on the standards they develop and avoid duplication or overlap of work with other standardizing bodies in their national territory, or relevant international or regional standardizing bodies. Furthermore, the Committee stressed the importance of regional standardizing bodies making every effort to avoid duplication of, or overlap with the work of relevant international standardizing bodies. In this regard, the Committee noted the preference for international standardizing activities. The Committee agreed to seek information from international standardizing bodies regarding their procedures to ensure cooperation with their national members and regional standardizing bodies and to consider the usefulness of communicating the Committee's views to the relevant international standardizing bodies.

14. The Committee recognized that divergent national standards existed in different Members to achieve similar objectives, in particular, in instances where international standards did not exist. Members are invited to exchange views on the reasons why no international standards exist and on whether and on how the concept of equivalency might apply in relation to voluntary standards. In this respect, Members are invited, on a voluntary basis, to exchange information on their experience in the implementation of Article 2.7 relating to equivalency of technical regulations.

15. Bearing in mind the more detailed provisions of the Agreement relating to "unnecessary obstacles to international trade" in the context of technical regulations, the Committee agreed to exchange views on the concept of "unnecessary obstacles to international trade" as given in paragraph E of the Code.

16. Members are also invited to share experiences on difficulties associated with voluntary standards, and on the nature and reasons for deviations from relevant international standards when standards are drafted.

D. International Standards, Guides and Recommendations

17. The Committee reiterated the important contribution that international standards can make to improve efficiency of production, to facilitate the conduct of international trade, and to the transfer of technology from developed to developing countries. The Committee noted the rights and obligations under Articles 2.4, 5.4 and paragraph F of Annex 3 regarding the use of relevant international standards or relevant parts thereof as a basis for technical regulations, standards and conformity assessment procedures. The Committee stressed the importance of compliance with these provisions. The Committee also noted that in accordance with Article 2.5 whenever a technical regulation "is in accordance with relevant international standards, it shall be rebuttably presumed not to create an unnecessary obstacle to international trade".

18. However, the Committee noted that difficulties might be encountered in relation to the use of certain international standards and that trade problems could arise through, *inter alia*, the absence of international standards, or their non-use due to possible out-dated content. There was a need to examine these difficulties as well as the potential trade effects arising from international standards. An examination of these issues would also need to take into account the extent to which the special development, financial and trade needs of developing countries Members had been taken into account, and the kind of technical assistance that might be needed in this respect.

19. The Committee emphasised the importance of Members playing a full part, within the limit of their resources, in the preparation by appropriate international standardizing bodies of international standards, as provided for in Article 2.6. This was important to ensure that the international standardization process was representative of the interests and concerns of all parties concerned. Annex 1 of the Agreement defines an international body as a body whose membership is open to the relevant bodies of at least all Members. The Committee noted however that concerns had been expressed by certain Members, in particular developing country Members, on the difficulties they encountered in this respect. In order for international standards to make a maximum contribution to the achievement of the trade facilitating objectives of the Agreement, it was important that all Members have the opportunity to participate in the discussions, elaboration and adoption of international standards.

20. The Committee also reiterated that in the preparation of international standards, it was important, *inter alia*, that trade needs were taken into account along with technical progress, and Article 12.6 concerning products of special interest to developing country Members.

21. In order to ensure that international standardizing bodies were aware of the concerns of Members and conducted their activities in accordance with the objectives of the Agreement, and in order to ensure that relevant information was communicated in a timely manner, closer cooperation between the WTO and relevant international standardizing bodies, as well as among officials and experts in non-governmental standardizing bodies at the national level were essential.

22. Taking account of the considerations outlined above, and with a view to developing a better understanding of international standards within the Agreement, the Committee agreed:

- (a) To explore ways and means of improving the implementation of Articles 2.6, 5.5, 11.2, 12.5 and paragraph G of the Code with a view to enhancing Members' awareness of, and participation in, the work of international standardizing bodies. As appropriate, the Committee will consider the usefulness of communicating its views to the relevant international standardizing bodies for their consideration;
- (b) to invite Members, on a voluntary basis, to submit specific examples to the Committee addressing the difficulties and problems they encounter in relation to international standards, including those mentioned in paragraph 18 above, taking into account Article 12.4. This information exchange process, as well as the indications obtained through the notifications of draft regulations and

conformity assessment procedures, would provide relevant information on the national practices of Members, and on the manner in which international standardizing bodies developed standards. In the light of this experience sharing exercise, the Committee may consider the usefulness of communicating its views to relevant international standardizing bodies for their consideration;

- (c) to consider the appropriate means for the Committee to express its views to relevant international standardizing bodies regarding the preparation of international standards, and to invite international standardizing bodies to follow the relevant principles of the Code of Good Practice; and
- (d) in accordance with the rules of procedures of the Committee and on an ad hoc basis as agreed, relevant international standardizing bodies will be invited to meetings of the Committee to enable them to take into account the on-going discussions in the WTO, and to increase Members' awareness of the activities of these organizations. Relevant international standardizing bodies will be invited to provide prior information concerning their activities.

E. Preparation, Adoption and Application of Technical Regulations

23. The Committee recognized that while no country should be prevented from taking measures necessary to fulfil a legitimate objective as prescribed in Article 2.2, technical regulations, because of their mandatory nature, might create trade barriers. The Committee reiterated that good regulatory practice for the preparation, adoption and application of technical regulations was a priority for Members to facilitate trade. In this regard, the Committee noted the importance of avoiding the promulgation of national technical regulations where they were not necessary, limiting them to their specific requirements and, in accordance with the relevant provisions of the Agreement, aligning them with international standards.

24. In order to assist the implementation of the relevant provisions of the Agreement, the Committee agreed to the following:

- (a) When considering the preparation of a technical regulation, it is important for Members first to identify the related problem, including its magnitude and the legitimate objective; and then consider all options available consistent with the Agreement, bearing in mind that in accordance with Articles 2.2 and 2.3 a technical regulation shall not be more trade restrictive than necessary to fulfil a legitimate objective, and shall not be maintained if the circumstances or objectives giving rise to its adoption no longer exist or if the changed circumstances or objectives can be addressed in a less trade-restrictive manner. If a technical regulation is required, it shall comply with the relevant provisions of the Agreement, including Articles 12.3 and 12.7;
- (b) to avoid duplication of work and to ensure effective implementation of the Agreement, coordination between governmental regulatory authorities, trade officials and national standardizing bodies is essential; and
- (c) for information exchange, Members are invited, on a voluntary basis, to submit descriptions of their approach to technical regulations. The Committee will examine the various approaches to the preparation, adoption and application of technical regulations and their consequences for market access, with a view to assisting regulatory authorities through promoting awareness of their rights and obligations under the Agreement.

F. Conformity Assessment Procedures

25. The Committee reiterated the importance of the provisions of Articles 5 and 6 for the preparation, adoption and application of conformity assessment procedures to avoid unnecessary obstacles to international trade in cases where a positive assurance of conformity with a technical regulation or standard is required. In particular, the Committee emphasized Article 5.1.2, requiring that "conformity assessment procedures shall not be more strict or be applied more strictly than is necessary to give the importing Member adequate confidence that products conform with the applicable technical regulations or standards, taking account of the risks non-conformity would create". The Committee also reiterated Members' rights and obligations under Article 6.1 for the acceptance of the results of conformity assessment procedures in other Members, and Members' obligations under Article 9 to formulate and adopt international systems for conformity assessment, wherever practicable. The Committee also recalled that under Article 6.4, Members are encouraged to permit participation of conformity assessment bodies located in the territories of other Members in their conformity assessment procedures on a non-discriminatory basis.

26. The Committee noted the growing concern with respect to the restrictive effect on trade of multiple testing and conformity assessment procedures, and that the principle of "one standard, one test" and if required "one certification, one time" should be pursued to facilitate trade and reduce costs. The Committee noted that the supplier's declaration of conformity was recognized as saving costs. At the same time the Committee acknowledged this procedure was not appropriate in all cases, particularly where technical infrastructure was lacking. The principle relating to recognition of results of conformity assessment implied complex conditions concerning confidence in technical competence which, in most cases, demanded an objective bench mark. The Committee noted that accreditation was more widely used as a tool to demonstrate the technical competence of conformity assessment bodies. Recognition of results of conformity assessment could be achieved through different procedures and approaches which might have different trade impacts.

27. The Committee noted that there was an emerging interest in concluding mutual recognition agreements (MRAs) at the regulatory level by Members on a bilateral basis. Concerns had been expressed on possible difficulties and problems associated with MRAs, in particular for developing country Members. They included those relating to cost, transparency, non-MFN nature, opportunity to enter into negotiations for the conclusion of MRAs, the need to take into account the quality of the conformity assessment procedures rather than the origin of the product, and efficiency and effectiveness of MRAs to solve problems of multiple testing and conformity assessment procedures.

28. The Committee reiterated the provisions under Articles 5.4, 6.1.1 and 7 regarding the use of relevant guides or recommendations issued by international standardizing bodies. The use of common procedures, such as international guides, recommendations or standards in relation to the operation of accreditation, testing, inspection and certification bodies would be necessary to achieve the required confidence among Members in the field of conformity assessment. The Committee noted that relevant ISO/IEC Guides are useful in contributing to improving efficiency and facilitating the conduct of international trade. It also noted however that difficulties are still faced by certain countries concerning the practical implementation of a number of Guides. The Committee established a Technical Working Group to examine certain ISO/IEC Guides on conformity assessment procedures and how they might contribute to furthering the objectives of Articles 5 and 6 of the Agreement in order to assist the Committee to consider if it wished to adopt decisions and recommendations regarding these Guides. (G/TBT/M/6). The discussions of the Technical Working Group are reflected in documents (G/TBT/M/7-9).

29. In order to further the objectives of Articles 5 and 6, including in particular the need to avoid the creation of unnecessary obstacles to international trade due to conformity assessment procedures, and with a view to making recommendations to remove any unnecessary duplication of conformity assessment, the Committee agreed to the following:

- (a) The Committee will pursue further discussions on ISO/IEC Guides. Members are invited, on a voluntary basis, to continue providing information on their experience in using relevant international guides and recommendations on conformity assessment, and the extent to which these

guides and recommendations have served as a basis for the recognition of conformity assessment procedures adopted by bodies in their territories and in regional and international conformity assessment systems, or as a harmonized approach to conformity assessment. In the light of this exercise, the Committee will consider ways and means for better implementation of Articles 5 and 6;

- (b) for transparency purposes and to support the work of the Committee, a list of relevant international guides and recommendations related to conformity assessment procedures will be consolidated, circulated and updated regularly by the Secretariat for the information of Members;
- (c) Members are invited, on a voluntary basis, to exchange information on their experience in the various types of conformity assessment procedures and their conditions of application. In the light of this

exercise, the Committee will consider making recommendations aimed at ensuring that procedures for the assessment of conformity avoid the creation of unnecessary obstacles to international trade;

- (d) the Committee will review the role of regional and international systems for conformity assessment as covered by Article 9 and how these systems could contribute to solving the problems of multiple testing and certification/registration for traders and industries, including in particular small and medium size enterprises. This exercise will also address the extent to which international guides and recommendations contribute to the establishment of these systems, and the possible technical assistance needed for developing countries to develop operational conformity assessment procedures within the context of Articles 11.6, 11.7 and 12.5; and
- (e) the Committee will review the operation of Articles 6, 10.7 and other relevant provisions which contain disciplines with respect to recognition of the results of conformity assessment procedures. In this regard, Members are invited, on a voluntary basis, to exchange information. The review will also address the possible difficulties and problems associated with MRAs. In the light of this exercise, the Committee may consider the usefulness of drafting guidelines, inter alia for MRAs.

G. Technical Assistance under Article 11

30. The Committee noted that certain Members, especially developing country Members, encountered difficulties in the implementation and operation of the Agreement. Technical assistance should be provided to requesting Members, particularly least developed country Members, on the preparation of technical regulations, the establishment of national standardizing bodies, regulatory bodies, or bodies for the assessment of conformity, the methods by which technical regulations of other Members could best be met, the participation in the international standardizing bodies, and the access to systems for conformity assessment, with a view to increasing the effectiveness of the Agreement.

31. In order to enhance the implementation of Article 11, the Committee recalled its decisions made on technical assistance (G/TBT/1/Rev.4), and agreed to the following:

- (a) Members are invited, on a voluntary basis, to exchange information regarding the implementation of Article 11, including to communicate to the Committee annually any information concerning their national and regional technical assistance programmes; and
- (b) Members that require technical assistance are invited to inform the Committee of any difficulties they encounter in the implementation and operation of the Agreement, and the kind of technical assistance they may need. Other Members are invited to contribute to the technical assistance process by sharing their experience in the implementation and operation of the Agreement.

H. Special and Differential Treatment under Article 12

32. The Committee noted that the primary objective of the Review was to determine how the Agreement had operated and how it had been implemented; this was particularly the case with respect to the special development, financial and trade needs of developing country Members in order to ensure that Members could honour their commitments and thereby facilitate the implementation of the Agreement.

33. With the view to operationalize and implement the provisions of Article 12, the Committee agreed to the following:

- (a) Members are invited, on a voluntary basis, to exchange information on the implementation of Article 12, including information related to Articles 12.2, 12.3, 12.5, 12.6, 12.7 and 12.9.

Members are invited, on a voluntary basis, to exchange information on any specific problems they face in relation to the operation of Article 12; and

- (b) the Committee will consider including the following matters in its future programme of work, which could be taken up during the next three years and reviewed during the Second Triennial Review of the Agreement:
- (i) The use of measures to engender capacity building in developing country Members, including the consideration of measures relevant to transfer of technology to these countries, for the purpose of preparation and adoption of technical regulations, standards or conformity assessment procedures, taking into account their special development, financial and trade needs;
 - (ii) the preparation of a study by the Secretariat to establish the state of knowledge concerning the technical barriers to the market access of developing country suppliers, especially small and medium sized enterprises (SMEs), as a result of standards, technical regulations and conformity assessment procedures;
 - (iii) inviting representatives of relevant international standardizing bodies and international systems for conformity assessment procedures to make written and oral presentations to the Committee with a view to assessing whether and how account is taken of the special problems of developing countries in such bodies and systems. The Secretariat will circulate a compendium of the written contributions by the relevant organisations; and
 - (iv) the encouragement of the organization of international meetings relevant to the provisions of the Agreement in the territories of developing country Members to give greater representative participation by such Members to the deliberations and recommendations of such international meetings, and the electronic dissemination of information.

I. Other elements

34. Annex 1 of the Agreement makes reference to the terms presented in the sixth edition of the ISO/IEC Guide 2: 1991. The Committee noted that since the conclusion of the Uruguay Round Negotiation, ISO/IEC Guide 2 had been updated. In this regard, the Committee agreed to apprise itself of the latest revision of the Guide.

35. The Committee noted the Report of the Committee on Trade and Environment to the Singapore Ministerial Conference (WT/CTE/1) regarding item 3(B) on the relationship between the provisions of the multilateral trading system and requirements for environmental purposes relating to products, including standards and technical regulations, packaging, labelling and recycling. The Committee noted the discussions on these issues in the CTE, including the concerns expressed about the importance of ensuring the transparency of such measures, and that they should not become disguised restrictions to trade.

Committee on Technical Barriers to Trade

NOTIFICATION

The following notification is being circulated in accordance with Article 10.6.

1.	Member to Agreement notifying: If applicable, name of local government involved (Articles 3.2 and 7.2):
2.	Agency responsible: Agency or authority designated to handle comments regarding the notification shall be indicated if different from above:
3.	Notified under Article 2.9.2 [], 2.10.1 [], 5.6.2 [], 5.7.1 [], other:
4.	Products covered (HS or CCCN where applicable, otherwise national tariff heading. ICS numbers may be provided in addition, where applicable):
5.	Title, number of pages and language(s) of the notified document:
6.	Description of content:
7.	Objective and rationale, including the nature of urgent problems where applicable:
8.	Relevant documents:
9.	Proposed date of adoption: Proposed date of entry into force:
10.	Final date for comments:
11.	Texts available from: National enquiry point [] or address, e-mail and telefax number of other body:

WTO SUBSIDY NOTIFICATIONS REVIEWED IN 1997

WTO MEMBER	1995 Full Notification	1996 Update Notification
Antigua and Barbuda	X	X
Argentina	(supplement only)	
Bahrain	X	X
Brazil		(supplement only)
Brunei Darussalam	X	X
Bulgaria	X	
Burkina Faso		X
Cameroon	X	X
Canada		X
Chile	X	X
Colombia		X
Cote d'Ivoire	X	X
Cuba	X	
Cyprus	X	X
Czech Republic		X
European Union		X
Fiji	X	X
Ghana	X	
Iceland	X	X
India	(supplement only)	
Indonesia		X
Israel	X	X
Japan		(supplement only)
Korea		X
Liechtenstein		X
Mexico	X	
Norway		X
Pakistan	X	
Philippines		X
Poland	X	X
Romania	X	X
Senegal	X	X
Singapore		X
Slovenia	X	X
South Africa	X	X
Sri Lanka	X	
Uganda	X	
United Arab Emirates	X	X
Uruguay	X	X
Zambia		X

SUBSIDIES ENFORCEMENT: ***ASSISTING U.S. EXPORTERS TO COMPETE EFFECTIVELY***

Subsidies Enforcement Office: The Department of Commerce's Office of Import Administration is responsible for coordinating multilateral subsidies enforcement efforts. The primary mission is to assist the private sector by monitoring foreign subsidies and identifying subsidies that can be remedied under the Subsidies Agreement of the World Trade Organization, of which the United States is a member. To fulfill this mission, Import Administration has created the Subsidies Enforcement Office (SEO). As part of its monitoring efforts, the SEO is creating a Subsidies Library, which will be available to the public via the Internet. The goal is to create an easily accessible one-stop shop that will provide user-friendly information on foreign government subsidy practices.

Types of Subsidies: A subsidy can be almost anything a government does, if the following conditions are met: (1) a financial contribution is made by a government or public body and (2) a benefit is received by the company. Trade rules permit remedies in circumstances when subsidies are "specific" (i.e., provided to a limited number of companies, such as all exporters) and have caused adverse trade effects. Subsidies can take a variety of forms. Following are some of the types of foreign subsidies that could place a U.S. exporter at a competitive disadvantage vis-a-vis a foreign competitor.

- ▶ *Export financing* at preferential rates.
- ▶ *Tax exemptions* for favored companies or industries.
- ▶ *Grants, loans that are conditioned on meeting local content requirements*, or subsidies contingent upon the use of domestic goods over U.S. exports (commonly referred to as "import substitution subsidies").

Types of Remedies: Remedies for violations of the Subsidies Agreement could involve requiring the foreign government to eliminate the subsidy program or its adverse effect, or, as a last resort, to authorize offsetting compensation.

Assisting U.S. Exporters: The SEO welcomes any information about foreign subsidy practices that may adversely affect U.S. companies' export efforts. The SEO can evaluate the subsidy in relation to U.S. and multilateral trade rules to determine what action may be possible to take to counteract such adverse effects. By working together to monitor foreign subsidies and enforce the Subsidies Agreement, we can ensure that U.S.

As an illustration:

A U.S. exporter is bidding on a project in Country A and is competing against an exporter from Country B. The company from Country B offers a bid that is extremely low, possibly even below what one would assume to be the cost of production. The U.S. exporter may have knowledge that the reason the company from Country B is able to bid so low is that it is being assisted by its government with low cost loans and payment of various export related expenses. In such a situation, we would encourage the U.S. exporter to collect as much information as possible concerning the possible subsidies and then contact us to provide all the relevant information. We would then check further into the types of subsidies being received and determine whether any action should be taken.

Questions and information can be referred to:

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fax : (202) 501-7952

e-mail: Carole_Showers@ita.doc.gov

companies are competing in a fair international trading system.

Regional Trade Agreements Notified to the GATT/WTO and in Force in January 1998

Agreements notified under GATT Article XXIV

Parties and Agreements	Date of Entry into Force	Notification Date
Austria/Belgium/Denmark/Finland/France/Germany/Greece/Ireland/Italy/Luxembourg/Netherlands/Portugal/Spain/Sweden/United Kingdom		
Treaty of Rome, establishing the European Communities - EC (and Enlargements)	01.01.58	24.04.57
EC/Turkey		
Ankara Agreement (and Customs Union)	01.12.64	12.03.64
EC/		
Algeria	01.07.76	28.07.76
Bulgaria	31.12.93	23.12.94
Cyprus	01.06.73	13.06.7
Czech Republic	01.03.92	13.05.96
Egypt	01.07.77	15.07.77
Estonia	01.01.95	30.06.95
Faroe Islands	01.01.97	19.02.97
Hungary	01.03.92	03.04.92
Israel	01.07.75	03.07.75
Jordan	01.07.77	15.07.77
Latvia	01.01.95	30.06.95
Lebanon	01.07.77	15.07.77
Lithuania	01.01.95	26.09.95
Malta	01.04.71	24.03.71
Morocco	01.07.76	28.07.76
Palestinian Authority		30.06.97
Poland	01.03.92	03.04.92
Certain Non-European Countries and Territories (PTOM II)	01.01.71	14.12.70
Romania	01.05.93	23.12.94
Slovak Republic	01.03.92	13.05.96
Slovenia	01.01.97	11.11.96
Syria	01.07.77	15.07.77
Tunisia	01.07.76	28.07.76
EC/EFTA Member States:		
Iceland	01.04.73	24.11.72
Norway	01.07.73	13.07.73
Switzerland and Liechtenstein	01.01.73	27.10.7
Iceland/Norway/Switzerland/Liechtenstein		
Stockholm Convention, establishing the European Free Trade Association - EFTA	03.05.60	14.11.59
Faroe Islands/EFTA Member States:		
Iceland	01.07.93	23.01.96
Norway	01.07.93	13.03.96

Parties and Agreements		Date of Entry into Force	Notification Date
<input type="checkbox"/>	Switzerland	01.03.95	08.03.96

Parties and Agreements	Date of Entry into Force	Notification Date
EFTA/		
Bulgaria	01.07.93	30.06.93
Czech Republic	01.07.92	03.07.92
Slovak Republic	01.07.92	03.07.92
Hungary	01.10.93	23.12.93
Israel	01.01.93	01.12.92
Latvia	01.06.96	25.07.96
Lithuania	01.08.96	25.07.96
Poland	15.11.93	20.10.93
Romania	01.05.93	24.05.93
Slovenia	01.07.95	18.10.95
Turkey	01.04.92	06.03.92
Czech Republic/Slovak Republic		
Customs Union	01.01.93	30.04.93
Czech Republic/Hungary/Poland/Romania/ Slovak Republic/Slovenia		
Central European Free Trade Area - CEFTA	01.03.93	30.06.94
Czech Republic/Bulgaria	07.06.96	29.05.97
Czech Republic/Latvia	01.07.97	13.11.97
Czech Republic/Lithuania	01.09.97	13.11.97
Slovak Republic/Bulgaria	11.03.96	29.05.97
Slovak Republic/Latvia	01.07.97	14.11.97
Slovak Republic/Lithuania	01.07.97	14.11.97
Poland/Lithuania	01.01.97	30.12.97
Slovenia/Bulgaria	01.01.97	20.02.97
Slovenia/Estonia	01.01.97	20.02.97
Slovenia/Latvia	01.08.96	20.02.97
Slovenia/Lithuania	01.03.97	20.02.97
Slovenia/Former Yugoslav Republic of Macedonia	01.09.96	20.02.97
Romania/Moldova	01.01.95	24.09.97
United States/Israel	19.08.85	13.09.85
Canada/Chile	05.07.97	26.08.97
Canada/Israel	01.01.97	23.01.97
Canada/Mexico/United States		
North American Free Trade Agreement - NAFTA	01.01.94	01.02.93
Costa Rica/El Salvador/Guatemala/Honduras/Nicaragua		
Central American Common Market - CACM	12.10.61	24.02.61
Barbados/Guyana/Jamaica/Trinidad and Tobago		
Caribbean Community and Common Market-CARICOM	01.08.73	14.10.74

Parties and Agreements	Date of Entry into Force	Notification Date
Jordan/Kuwait/Morocco/Syria/Egypt		
Arab Common Market	30.04.64	05.03.65
Australia/Papua New Guinea		
Australia-Papua New Guinea Agreement - PATCRA	01.02.77	20.12.76
Australia/New Zealand		
Australia-New Zealand Closer Economic Relations Trade Agreement - ANZCERTA	01.01.83	14.04.83

Agreements notified under the Enabling Clause

Parties and Agreements	Date of Entry into Force	Notification Date
Argentina/Bolivia/Brazil/Chile/Colombia/Ecuador/Mexico/Paraguay/Peru/Uruguay/Venezuela		
Montevideo Treaty (1980), establishing the Latin American Integration Association - LAIA	18.03.81	01.07.82
Argentina/Brazil/Paraguay/Uruguay Asunción Treaty - MERCOSUR	29.11.91	05.03.92
Bolivia, Colombia, Ecuador, Venezuela		
Cartagena Agreement - Andean Group	25.05.88	(12.10.92)
Egypt/India/Yugoslavia		
Tripartite Agreement	01.04.68	23.02.68
Bahrain/Kuwait/Oman/Qatar/Saudi Arabia/United Arab Emirates		
Unified Economic Agreement among member states of the Gulf Cooperation Council - GCC		11.10.84
Angola, Burundi, Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Rwanda, Seychelles, Somalia, Sudan, Swaziland, Tanzania, Uganda, Zaire, Zambia and Zimbabwe		
Common Market for Eastern and Southern Africa (COMESA)	08.12.94	29.6.95
Iran/Pakistan/Turkey		
Preferential Tariffs among members of the Economic Cooperation Organization - ECO		22.7.92
Bangladesh/Bhutan/India/Maldives/Nepal/ Pakistan/Sri Lanka		
South Asian Preferential Trade Arrangement - SAPTA	07.12.95	22.09.93
Bangladesh/India/Republic of Korea/Sri Lanka/Laos		
Bangkok Agreement	17.06.76	02.11.76
Brunei Darussalam/Indonesia/Malaysia/Philippines/Singapore/Thailand/Laos/Myanmar		
Agreement on ASEAN Preferential Trade Arrangements	31.08.77	01.11.77
Common Effective Preferential Tariff Scheme for the ASEAN Free trade area (AFTA)	28.01.92	30.10.92
Laos/Thailand	20.06.91	29.11.91

Parties and Agreements	Date of Entry into Force	Notification Date
Australia and New Zealand / Cook Isl., Fiji, Kiribati, Nauru, Niue, Papua New Guinea, Solomon Isl., Tonga, Tuvalu, Vanuatu and Western Samoa		
South Pacific Regional Trade and Economic Cooperation Agreement - SPARTECA	01.01.81	20.02.81
Bangladesh, Brazil, Chile, Egypt, Israel, Mexico, Pakistan, Peru, Republic of Korea, Romania, Tunisia, Turkey, Uruguay		
Protocol relating to Trade Negotiations among Developing Countries	11.02.73	09.11.71
Algeria, Angola, Argentina, Bangladesh, Benin, Bolivia, Brazil, Cameroon, Chile, Colombia, Cuba, Democratic People's Republic of Korea, Ecuador, Egypt, Ghana, Guinea, Guyana, Haiti, India, Indonesia, Islamic Republic of Iran, Iraq, Libyan Arab Jamahiriya, Malaysia, Mexico, Morocco, Mozambique, Nicaragua, Nigeria, Pakistan, Peru, Philippines, Qatar, Republic of Korea, Romania, Singapore, Sri Lanka, Sudan, Thailand, Trinidad and Tobago, Tunisia, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yugoslavia, Zaire and Zimbabwe		
Global System of Trade Preferences - GSTP	19.04.89	25.09.89

Agreements notified under GATS Article V

Parties and Agreements	Date of Entry into Force	Notification Date
Austria/Belgium/Denmark/Finland/France/Germany/Greece/Ireland/Italy/Luxembourg/Netherlands/Portugal/Spain/Sweden/United Kingdom		
Treaty of Rome	01.01.58	10.11.95
EC/Iceland/Norway/Liechtenstein		
European Economic Area - EEA	01.01.94	10.10.96
Canada/Mexico/United States		
North American Free Trade Agreement - NAFTA	01.04.94	01.07.82
Canada/Chile	05.07.97	13.11.97
EC/		
Bulgaria	01.02.95	25.04.97
Czech Republic	01.02.95	09.10.96
Hungary	01.02.94	27.08.96
Poland	01.02.94	27.08.96
Romania	01.02.95	09.10.96
Slovak Republic	01.02.95	27.08.96
Australia/New Zealand		
ANZCERTA	01.01.89	22.11.95

Source: WTO Secretariat

Waivers Currently in Force

The following waivers, granted under Article IX: of the Agreement Establishing the World Trade Organization, are currently in effect. Waivers granted for a period exceeding one year are reviewed annually by the General Council. The General Council may extend, modify or terminate a waiver as part of the annual review process. The last review of multi-year waivers took place on 22 October 1997.

WTO Member/Waiver	Valid Through	Date Granted
<i>Canada - CARIBCAN</i> : To allow Canada to extend tariff preferences to CARIBCAN nations.	31 December 2006	14 October 1996
<i>Cuba - Article XV:6</i> : To Cuba not to have a special exchange arrangement, which is required for those WTO Members that are not IMF members.	31 December 2001	14 October 1996
<i>European Community - Lomé IV</i> : To allow the EC to extend tariff preferences to African, Caribbean and Pacific member countries under the Lome Agreement	29 February 2000	14 October 1996
<i>France - Trading arrangements with Morocco</i> : To allow France to extend historical trading preferences to Morocco until the EU-Morocco free trade agreement is ratified.	31 December 1998	10 December 1997
<i>Hungary-Agricultural export subsidies</i> : To allow Hungary to a transition period to come into compliance with its Uruguay Round agricultural export subsidy commitments.	31 December 2001	22 October 1997
<i>US - Former Trust Territory of the Pacific Islands</i> : To allow the United States to extend historical tariff preferences to the Mariana Islands, Palau, the Marshall Islands and Micronesia.	31 December 2006	14 October 1996
<i>US - Caribbean Basin Economic Recovery Act</i> : To allow the United States to extend tariff preferences to eligible Caribbean countries under CBERA.	31 December 2005	15 November 1995
<i>US - ANDEAN Trade Preference Act</i> : To allow the United States to extend tariff preferences to eligible Andean countries under the ATPA.	4 December 2001	14 October 1996

Members of the WTO with whom the United States maintains quantitative restrictions on textiles under the WTO Agreement on Textiles and Clothing

Article 2	Article 3	Article 6
Bahrain Bangladesh Brazil Bulgaria Colombia Costa Rica Czech Republic Dominican Republic Egypt El Salvador Fiji Guatemala Hong Kong Hungary India Indonesia Jamaica Kenya Korea Macau Malaysia Mauritius Pakistan Philippines Poland Qatar Singapore Slovak Republic Sri Lanka Thailand Turkey United Arab Emirates Uruguay	Burma Kuwait Mexico	Dominican Republic El Salvador Guatemala Honduras Thailand Turkey

GATS Commitments on Telecommunications
All governments which have scheduled telecom commitments

Country and Level of Commitment		
a=schedule annexed to the 4th Protocol c=listed value-added services (in 4th Protocol)		b=late basic telecom schedule d=only for govt's not in 4th Protocol
Antigua and Barbuda (a,c)	Guyana (c)	Poland (a,c)
Argentina (a,[c])	Hong Kong, China (a,c)	Portugal (a,c)
Australia (a,c)	Hungary (a,c)	Romania (a,c)
Bangladesh (a)	Iceland (a,c)	Saint Kitts and Nevis (c)
Barbados (b, incl c)	India (a,c)	Senegal (a)
Belize (a, [c])	Indonesia (a,c)	Singapore (a,c)
Bolivia (a)	Israel (a)	Slovak Republic (a,c)
Brazil (a, [c])	Jamaica (a,[c])	Slovenia (c)
Brunei Darussalam (a,c)	Japan (a,c)	Suriname (b)
Bulgaria (a,c)	Korea (a,c)	Switzerland (a,c)
Canada (a,c)	Lesotho (c)	Thailand (a,c)
Chile (a,c)	Liechtenstein (d,c)	Trinidad and Tobago (a,[c])
Colombia (a,c)	Malaysia (a,c)	Tunisia (a)
Côte d'Ivoire (a)	Mauritius (a)	Turkey (a,c)
Cuba (d)	Mexico (a,c)	United States (a,c)
Cyprus (b)	Mongolia (c)	Venezuela (a)
Czech Republic (a,c)	Morocco (a,c)	Zimbabwe (d,c)
Democratic Republic of the Congo (d)	New Zealand (a,c)	
Djibouti (d,c)	Nicaragua (d,c)	
Dominica (a, [c])	Nigeria (d,c)	
Dominican Republic (a)	Norway (a,c)	
Ecuador (a,c)	Pakistan (a, c + [c])	
El Salvador (a)	Panama (c)	
European Community (a) + Member States (a,c)	Papua New Guinea (a)	
Gambia (d)	Peru (a,c)	
Ghana (a)	Philippines (a,c)	

Source: WTO Secretariat

Agreement on Basic Telecommunications

PRO-COMPETITIVE REGULATORY PRINCIPLES

REFERENCE PAPER

Scope

The following are definitions and principles on the regulatory framework for the basic telecommunications services.

Definitions

Users mean service consumers and service suppliers.

Essential facilities mean facilities of a public telecommunications transport network or service that

- (a) are exclusively or predominantly provided by a single or limited number of suppliers; and
- (b) cannot feasibly be economically or technically substituted in order to provide a service.

A major supplier is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for basic telecommunications services as a result of:

- (a) control over essential facilities; or
- (b) use of its position in the market.

1. Competitive safeguards

1.1 Prevention of anti-competitive practices in telecommunications

Appropriate measures shall be maintained for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.

1.2 Safeguards

The anti-competitive practices referred to above shall include in particular:

- (a) engaging in anti-competitive cross-subsidization;
- (b) using information obtained from competitors with anti-competitive results; and
- (c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.

2. Interconnection

2.1 This section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier and to access services provided by another supplier, where specific commitments are undertaken.

2.2 Interconnection to be ensured

Interconnection with a major supplier will be ensured at any technically feasible point in the network. Such interconnection is provided.

- (a) under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries or other affiliates;
- (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and
- (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2.3 Public availability of the procedures for interconnection negotiations

The procedures applicable for interconnection to a major supplier will be made publicly available.

2.4 Transparency of interconnection arrangements

It is ensured that a major supplier will make publicly available either its interconnection agreements or a reference interconnection offer.

2.5 Interconnection: dispute settlement

A service supplier requesting interconnection with a major supplier will have recourse, either:

- (a) at any time or
- (b) after a reasonable period of time which has been made publicly known

to an independent domestic body, which may be a regulatory body as referred to in paragraph 5 below, to resolve disputes regarding appropriate terms, conditions and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.

3. Universal service

Any Member has the right to define the kind of universal service obligation it wishes to maintain. Such obligations will not be regarded as anti-competitive *per se*, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by the Member.

4. Public availability of licensing criteria

Where a licence is required, the following will be made publicly available:

- (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence and
- (b) the terms and conditions of individual licences.

The reasons for the denial of a licence will be made known to the applicant upon request.

5. Independent regulators

The regulatory body is separate from, and not accountable to, any supplier of basic telecommunications services. The decisions of and the procedures used by regulators shall be impartial with respect to all market participants.

6. Allocation and use of scarce resources

Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, will be carried out in an objective, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands will be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.

Summary of Results: Agreement on Financial Services

In 1997, the United States led a successful effort to conclude multilateral negotiations that will open financial services markets to US suppliers of banking, securities, insurance and financial data services. The agreement on financial services is dramatically improved from the one concluded in 1995; at that time there only were 45 offers on the table. This deal covers 95% of the global financial services market as measured in revenue. With this deal, 102 WTO members now have market-opening commitments in the financial services sectors, including 70 improved offers in this round of negotiations. The commitments before us now encompass \$17.8 trillion in global securities assets; \$38 trillion in global (domestic) bank lending; and \$2.2 trillion in worldwide insurance premiums. In insurance alone, U.S. companies now have more than \$200 billion in foreign premiums.

This agreement will open financial services markets to an unprecedented degree and provide lasting benefits to U.S. industry, the U.S. economy, and the global economy. Across all insurance sectors -- encompassing life, non-life, reinsurance, brokerage and auxiliary services -- 52 countries have guaranteed broad market access terms. Another fourteen countries have committed to open critical subsectors of their insurance markets of particular interest to U.S. industry. Fifty-nine countries will permit 100% ownership of subsidiaries or branches in banking; 44 countries will permit 100% ownership of subsidiaries or branches in securities. A summary of commitments made by the U.S. and our trading partners follows:

WORLD TRADE ORGANIZATION (WTO) FINANCIAL SERVICES NEGOTIATIONS

Total number of commitments: 102

(This charts lists the 70 countries with improved commitments as of December 12)

MARKET ACCESS AND SCOPE OF INSURANCE COMMITMENTS

(includes the subsectors of life, non-life, reinsurance, brokerage and auxiliary services)

Guaranteed market access for all insurance subsectors (53 countries)

Australia, Austria, Bahrain (offshore only), Belgium, Bolivia, Brazil, Bulgaria, Canada, Colombia, Denmark, Dominican Republic, Ecuador, Finland, France, Germany, Greece, Honduras, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Jamaica, Japan, Kenya, Luxembourg, Macau, Malta, Mauritius, Mexico, Netherlands, New Zealand, Nigeria, Norway, Philippines (awaiting confirmation of brokerage commitments), Portugal, Romania, Slovenia, Spain, Sweden, Switzerland, Tunisia, Turkey, U.K., U.S.

Excluding pensions: Chile, Czech Republic, Egypt, Peru, Poland, Thailand

Open for selected insurance subsectors (13 countries)

Cyprus (all but brokerage and auxiliary services)

Ghana (all but brokerage and auxiliary services)

Indonesia (all but auxiliary services)

Korea (all but pensions and brokerage, also limits on auxiliary services)

Malaysia (all but limitations on access in all sectors)

Pakistan (all reinsurance and life but non life only for existing companies)

Senegal (all but reinsurance)

Singapore (all but limited commitments on brokerage)
Slovak Republic (all but pensions and auxiliary services)
South Africa (all but auxiliary services)
Sri Lanka (all but brokerage and auxiliary services)
Uruguay (auto, MAT, freight, pension consultancy and actuarial services only)
Venezuela (all but pensions, MAT, auxiliary services)

No insurance offer (4 countries): Costa Rica, El Salvador, Kuwait, India

CROSS-BORDER INSURANCE ACTIVITIES

[Unique area of international insurance activities that is limited to specialty categories such as "marine, aviation" and transport (MAT), reinsurance (which involves insuring risks that cannot be insured "in country) and brokerage services]

Allow cross-border MAT insurance, reinsurance and brokerage (27 countries)

Australia, Austria, Bahrain, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland (as long as Icelandic firm or EEA authorized firm), Ireland, Israel, Italy, Luxembourg, Mexico, Netherlands, Nigeria, Portugal, Spain, Sweden, Switzerland (aircraft liability requires commercial presence), Turkey, U.K., U.S.

Selected Cross-border commitments (35 countries)

Brokerage:

Bolivia, Chile, Egypt, Ghana, Hong Kong, Macau, Slovak Republic, Tunisia

Reinsurance:

Bolivia, Bulgaria, Chile, Colombia, Cyprus, Egypt, Ghana, Hong Kong, Indonesia, Jamaica, Japan, Kenya, Korea, Macau, Malaysia (with limits), Malta, Mauritius, New Zealand, Norway, Pakistan, Philippines, Poland, Romania, Singapore, Slovak Republic, Sri Lanka, Tunisia, Uruguay, Venezuela

MAT:

Brazil (freight), Colombia, Ghana, Jamaica, Japan (except cabotage), Kenya, Korea, Malaysia, Malta, New Zealand, Norway, Philippines, Poland, Slovak Republic (transport only), Slovenia, Thailand

No cross-border commitments (8 countries)

Costa Rica, Dominican Republic, Ecuador, Honduras, India, Kuwait, Peru, South Africa

BANKING/SECURITIES COMMITMENTS

Total number of commitments: 102

(This charts lists the 70 countries with improved commitments as of December 12)

Right of Establishment for Banks (60 countries)

Australia, Argentina, Bahrain, Bolivia, Bulgaria, Brazil, Canada, Colombia, Costa Rica, Cyprus, Dominican Republic, Ecuador, Egypt, European Union (includes the 15 Member States), Ghana, Hungary,

Iceland, India, Israel, Jamaica, Japan, Kenya, Macau, Malta, Mauritius, Mexico, New Zealand, Nigeria, Nicaragua, Norway, Pakistan, Peru, Philippines, Poland, Romania, Senegal, Slovak Republic, South Africa, Sri Lanka, Switzerland, Tunisia, Turkey, Uruguay, U.S., Venezuela

Right of Establishment of Securities Companies (45 countries)

Argentina, Australia, Brazil, Bahrain, Bulgaria, Canada, Colombia, Czech Republic, Ecuador, European Union (includes the 15 Member States), Egypt, Hong Kong, Hungary, Iceland, India, Indonesia, Israel, Japan, Kenya, Korea, Macau, Mauritius, Mexico, New Zealand, Nigeria, Norway, Peru, Philippines, Poland, Romania, Slovak Republic, Slovenia, South Africa, Sri Lanka, Switzerland, Thailand, Tunisia, Turkey, U.S., Venezuela

100 percent ownership of banks (35 countries)

Argentina, Australia, Bahrain, Brazil, Bolivia, Bulgaria, Canada, Chile, Colombia, Costa Rica, Cyprus, Czech Republic, Ecuador, European Union (includes the 15 Member States), Ghana, Jamaica, Japan, Korea, Malta, Mauritius, Netherlands Antilles, New Zealand, Nigeria, Norway, Peru, Poland, Romania, Slovak Republic, Slovenia, Uruguay,

100 percent ownership of securities firms (37 countries)

Australia, Argentina, Brazil, Bulgaria, Canada, Colombia, Czech Republic, Ecuador, Egypt, European Union (includes the 15 Member States), Hong Kong, Hungary, Iceland, Indonesia, Israel, Japan, Kenya, Kuwait, Macau, Mauritius, New Zealand, Nigeria, Norway, Peru, Poland, Romania, Slovak Republic, Slovenia, South Africa, Switzerland, U.S., Venezuela

Provision and transfer of financial data and information (50 countries)

Argentina, Australia, Bahrain, Brazil, Bulgaria, Canada, Colombia, Costa Rica, Czech Republic, Ecuador, European Union (includes the 15 Member States), Honduras, Hungary, Iceland, Israel, Jamaica, Japan, Malta, Mexico, Macau, New Zealand, Nigeria, Norway, Pakistan, Peru, Poland, Romania, Singapore, Slovenia, Slovak Republic, Sri Lanka, Switzerland, Tunisia, Turkey, United States

WORLD TRADE ORGANIZATION

**S/WPPS/W/12/Rev.1
20 May 1997**

Working Party on Professional Services

GUIDELINES FOR MUTUAL RECOGNITION AGREEMENTS OR ARRANGEMENTS IN THE ACCOUNTANCY SECTOR

Revision

Introduction

This document provides practical guidance for governments, negotiating entities or other entities entering into mutual recognition negotiations on accountancy services. These guidelines are non-binding and are intended to be used by Members on a voluntary basis, and cannot modify the rights or obligations of the Members of the WTO.

The objective of these guidelines is to make it easier for parties to negotiate recognition agreements and for third parties to negotiate their accession to such agreements or to negotiate comparable ones. The most common way to achieve recognition has been through bilateral agreements. Article VII of the GATS recognises this as permissible. There are differences in education and examination standards, experience requirements, regulatory influence and various other matters, all of which make implementing recognition on a multilateral basis extremely difficult. Bilateral negotiations will enable those involved to focus on the key issues related to their two environments. Once bilateral agreements have been achieved, however, this can lead to other bilateral agreements, which will ultimately extend mutual recognition more broadly.

Where autonomous recognition is granted, it is suggested that the WTO be informed of the relevant elements in these guidelines for transparency purposes. Such elements could include, for example, those covered in sections B.3, B.4(a) and (b), B.5 and B.6.

The examples listed under the various sections of these guidelines are provided by way of illustration. The listing of these examples is indicative and is intended neither to be exhaustive nor as an endorsement of the application of such measures by WTO Members.

A. Conduct of negotiations and relevant obligations under the GATS

With reference to the obligations of WTO Members under Article VII of the GATS, this section sets out points considered useful in the discharge of these obligations. A copy of Article VII is annexed to these guidelines.

1. Opening of negotiations

The information supplied to the WTO should include the following:

- the intent to enter into negotiations;
- the entities involved in discussions (e.g. governments, national organisations in the accountancy sector or institutes which have authority - statutory or otherwise - to enter into such negotiations);
- a contact point to obtain further information;
- subject of negotiations (specific activity covered);
- the expected time of the start of negotiations and an indicative date for the expression of interest by third parties.

2. Results

On conclusion of an MRA, the information supplied should include the following:

- the content of the agreement (if a new agreement);
- significant modifications to the agreement (if an agreement already exists).

3. Follow-up actions

For WTO Members supplying information under paragraph (1) above, follow-up actions include ensuring that:

- the conduct of negotiations and the agreement itself comply with the provisions of GATS - in particular Article VII;
- they adopt any measures and undertake any action required to ensure the implementation and monitoring of the agreement, on their own account, and by the competent authorities, or, in pursuance of Article I of the GATS, encourage adoption of such measures and action by relevant sub-national authorities and by other organisations;
- they respond promptly to requests from other WTO Members seeking to enter into MRA negotiations.

4. Single negotiating entity

Where no single negotiating entity exists, Members are encouraged to establish one.

B. Form and content of agreement

This section sets out various issues that may be addressed in any negotiations and, if so agreed, included in the final agreement. It includes some basic ideas on what a Member might require of foreign professionals seeking to take advantage of an MRA.

1. Participants

The MRA should identify clearly:

- the parties to the agreement (for example, governments, national accountancy organisations or institutes);
- competent authorities or organisations other than the parties to the agreement, if any, and their position in relation to the agreement;
- the status and area of competence of each party to the agreement.

2. Purpose of agreement

The purpose of the MRA should be clearly stated.

3. Scope of agreement

The MRA should set out clearly:

- the scope of the agreement in terms of the specific accountancy professions or titles and professional activities it covers in the territories of the parties;
- who is entitled to use the professional titles concerned;
- whether the recognition mechanism is based on qualifications, or on the licence obtained in the country of origin, or some other requirement;
- whether the agreement covers temporary and/or permanent access to the profession concerned.

4. Mutual recognition provisions

The MRA should clearly specify the conditions to be met for recognition in the territories of each party and the level of equivalence agreed between the parties. The precise terms of the agreement will depend on the basis on which the MRA is founded, as discussed above. In case the requirements of the various sub-central jurisdictions of a party to an MRA are not identical, the difference should be clearly presented. The agreement should address the applicability of the recognition granted by one sub-central jurisdiction in the other sub-central jurisdictions of the party.

(a) Eligibility for recognition

(i) Qualifications

If the MRA is based on recognition of qualifications, then it should, where applicable, state:

- the minimum level of education required (entry requirements, length of study, subjects studied);
- the minimum level of experience required (location, length and conditions of practical training or supervised professional practice prior to licensing, framework of ethical and disciplinary standards);
- examinations passed (esp. examinations of professional competence);
- the extent to which home country qualifications are recognised in the host country;
- the qualifications which the parties are prepared to recognise, for instance, by listing particular diplomas or certificates issued by certain institutions, or by reference to particular minimum requirements to be certified by the authorities of the country of origin, including whether the possession of a certain level of qualification would allow recognition for some activities but not others.

(ii) Registration

If the MRA is based on recognition of the licensing or registration decision made by regulators in the country of origin, it should specify the mechanism by which eligibility for such recognition may be established.

(b) Additional requirements for recognition in the host state ("compensatory measures")

Where it is considered necessary to provide for additional requirements, in order to ensure the quality of the service, the MRA should set out the conditions under which those requirements may apply, e.g. in case of shortcomings in relation to qualification requirements in the host country or knowledge of local law, practice, standards and regulations. This knowledge should be essential for practice in the host jurisdiction or required because there are differences in the scope of licensed practice.

Where additional requirements are deemed necessary, the MRA should set out in detail what they entail (for example, examination, aptitude test, additional practice in the host country or in the country of origin, practical training, language used for examination).

5. Mechanisms for implementation

The MRA should state:

- the rules and procedures to be used to monitor and enforce the provisions of the agreement;
- the mechanisms for dialogue and administrative co-operation between the parties;
- the means of arbitration for disputes under the MRA.

As a guide to the treatment of individual applicants, the MRA should include details on:

- the focal point of contact in each party for information on all issues relevant to the application (name and address of competent authorities, licensing formalities, information on additional requirements which need to be met in the host country etc.);
- the length of procedures for the processing of applications by the relevant authorities of the host country;
- the documentation required of applicants and the form in which it should be presented and any time limits for applications;
- acceptance of documents and certificates issued in the country of origin in relation to qualifications and licensing;
- the procedures of appeal to or review by the relevant authorities;
- any fees that might be reasonably required.

The MRA should also include the following commitments:

- that requests about the measures will be promptly dealt with;
- that adequate preparation time will be provided where necessary;
- that any exams or tests will be arranged with reasonable periodicity;
- that fees to applicants seeking to take advantage of the terms of the MRA will be in proportion to the cost to the host country or organisation;
- that information on any assistance programmes in the host country for practical training, and any commitments of the host country in that context be supplied.

6. Licensing and other provisions in the host country

Where applicable:

- the MRA should also set out the means by which, and the conditions under which, a licence is actually obtained following the establishment of eligibility, and what this licence entails (a licence and its content, membership of a professional body, use of professional and/or academic titles etc.). Any licensing requirements other than qualifications should be explained, e.g.:
 - an office address, an establishment requirement or a residency requirement;
 - a language requirement;
 - proof of good conduct and financial standing;
 - professional indemnity insurance;

-
- compliance with host country's requirements for use of trade/firm names;
 - compliance with host country ethics (for instance independence and incompatibility).
 - in order to ensure the transparency of the system, the MRA should include the following details for each party:
 - the relevant laws and regulations to be applied (disciplinary action, financial responsibility, liability, etc.);
 - the principles of discipline and enforcement of professional standards, including disciplinary jurisdiction and any consequential limitations on the professionals;
 - the means for ongoing verification of competence;
 - the criteria for and procedures relating to revocation of the registration of professionals;
 - regulations relating to any nationality and residency requirements needed for the purposes of the MRA.

7. Revision of the agreement

If the MRA includes terms under which it can be reviewed or revoked, the details should be clearly stated.

ANNEX

Article VII

Recognition

1. For the purposes of the fulfilment, in whole or in part, of its standards or criteria for the authorization, licensing or certification of services suppliers, and subject to the requirements of paragraph 3, a Member may recognize the education or experience obtained, requirements met, or licenses or certifications granted in a particular country. Such recognition, which may be achieved through harmonization or otherwise, may be based upon an agreement or arrangement with the country concerned or may be accorded autonomously.

2. A Member that is a party to an agreement or arrangement of the type referred to in paragraph 1, whether existing or future, shall afford adequate opportunity for other interested Members to negotiate their accession to such an agreement or arrangement or to negotiate comparable ones with it. Where a Member accords recognition autonomously, it shall afford adequate opportunity for any other Member to demonstrate that education, experience, licenses, or certifications obtained or requirements met in that other Member's territory should be recognized.

3. A Member shall not accord recognition in a manner which would constitute a means of discrimination between countries in the application of its standards or criteria for the authorization, licensing or certification of services suppliers, or a disguised restriction on trade in services.

4. Each Member shall:

- (a) within 12 months from the date on which the WTO Agreement takes effect for it, inform the Council for Trade in Services of its existing recognition measures and state whether such measures are based on agreements or arrangements of the type referred to in paragraph 1;
- (b) promptly inform the Council for Trade in Services as far in advance as possible of the opening of negotiations on an agreement or arrangement of the type referred to in paragraph 1 in order to provide adequate opportunity to any other Member to indicate their interest in participating in the negotiations before they enter a substantive phase;
- (c) promptly inform the Council for Trade in Services when it adopts new recognition measures or significantly modifies existing ones and state whether the measures are based on an agreement or arrangement of the type referred to in paragraph 1.

5. Wherever appropriate, recognition should be based on multilaterally agreed criteria. In appropriate cases, Members shall work in cooperation with relevant intergovernmental and non-governmental organizations towards the establishment and adoption of common international standards and criteria for recognition and common international standards for the practice of relevant services trades and professions.

Where to Find More Information on the WTO

A great deal of information about the WTO and trends in international trade is available to the public at the following Internet sites:

- ▶ The USTR home page: <http://www.ustr.gov>
- ▶ The WTO home page: <http://www.wto.org>

Examples of information available on the WTO home page include:

Descriptions of the Structure and Operations of the WTO, such as:

WTO Organizational Chart
Biographic backgrounds

Briefing Papers on WTO activities in individual sectors

Press Releases, such as:

Appellate Body Reports
Appointments to the Appellate Body
Cooperation between WTO and IMF

Summaries of Trade Policy Review
Mechanism reports on individual Members' trade practices

Focus (a newsletter published by the WTO, available on-line with the use of free, downloadable Adobe® software), with articles addressing topics such as:

Status of dispute settlement cases

Schedules of future WTO meetings

Official Documents, such as:

- ▶ Notifications required by the Uruguay Round Agreements
Working Procedures for Appellate Review

Report of the General Council to the Ministerial Conference

Synopses and Information on How to Order WTO Publications, such as:

WTO Annual Reports
Special studies on key WTO issues

Legal Texts and Instruments of the WTO

WTO publications may be ordered directly at the following addresses:

The World Trade Organization
Publications Services
Centre William Rappard
Rue de Lausanne 154
CH - 1211 Geneva 21
Switzerland

Berman Associates
4611-F Assembly Drive
Lanham, Md. 20706-4391

tel: (41 22) 739-5208
fax: (41 22) 731-5458
e-mail: publications@wto.org

tel: 800/274-4888
301/459-7666
fax: 301/459-0056